

Arizona Administrative Register
Notices of Proposed Rulemaking

4. The name and address of agency personnel with whom persons may communicate regarding the rulemaking:

Name: Stephen Hise, Bureau Chief
Address: Department of Health Services
Bureau of Emergency Medical Services
1651 East Morten Avenue, Suite 130
Phoenix, Arizona 85020

Telephone: (602) 861-0708

Fax: (602) 861-9812

or

Name: Kathleen Phillips, Rules Administrator

Address: Department of Health Services
1740 West Adams, Suite 102
Phoenix, Arizona 85007

Telephone: (602) 542-1264

Fax: (602) 542-1289

5. An explanation of the rule, including the agency's reasons for initiating the rule:

The proposed rulemaking will repeal Articles and Sections in Chapter 13 whose subject matter is outdated, already provided for in Title 9, Chapter 25, and, or proposed to be added to Title 9, Chapter 25 under separate rulemaking.

Article 8. Basic Emergency Medical Technician Certification: R9-13-801, R9-13-802, and R9-13-806 were repealed effective June 1, 2000. Therefore, the Article label is being repealed.

Article 9. Ambulance Attendant Certification: Requirements for the certification of ambulance attendants identified in R9-13-901 is covered in 9 A.A.C. 25, and R9-13-902 is expired. Therefore, the Article label and R9-25-901 are being repealed.

Water Ambulance Services: R9-13-1004 establishes the general responsibilities of water ambulance services, and R9-13-1105 establishes water ambulance design requirements. Since these rules were originally adopted in 1983, there have been no water ambulance services subject to licensure under 9 A.A.C. 13. Therefore, the rules are not necessary and are being repealed.

Surface Ambulance Services: R9-13-1103 establishes surface ambulance design requirements and was originally adopted in 1983. R9-13-1401 through 1415 establish the requirements for the surface ambulance certificate of necessity and the surface ambulance service rates and charges and contracts. These rules, which were originally adopted in 1984, are outdated, do not accurately reflect industry standards, and do not meet rulemaking requirements. Therefore, the Department is repealing these rules and replacing them with new ground ambulance service rules to be added in 9 A.A.C. 25 as part of a separate rulemaking package.

ALS Base Hospital/IEM Certification: R9-13-1301 through 1303 establish requirements for the certification of health care institutions as advanced life support base hospitals staffed with intermediate emergency medical technicians. These rules, which were originally adopted in 1983, were replaced with new rules added to 9 A.A.C. 25 in 1996. Therefore, the rules are being repealed.

6. A reference to any study that the agency proposes to rely on in its evaluation of or justification for the proposed rule and where the public may obtain or review the study, all data underlying each study, any analysis of the study and other supporting material:

Not applicable

7. A showing of good cause why the rule is necessary to promote a statewide interest if the rule will diminish a previous grant of authority of a political subdivision of this state:

Not applicable

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8. The preliminary summary of the economic, small business, and consumer impact:

The proposed rulemaking will have minimal economic impact on persons, businesses, agencies, and political subdivisions of this state. The public will benefit from the repeal of rules whose subject matter is outdated and, or provided for in other Department of Health Services rules.

The repeal of rules that establish surface ambulance service will have minimal impact, because new ground ambulance service rules are being added in 9 A.A.C. 25 as part of a separate rulemaking package.

9. The name and address of agency personnel with whom persons may communicate regarding the accuracy of the economic, small business, and consumer impact statement:

Name: Stephen Hise, Bureau Chief
Address: Department of Health Services
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1651 East Morten Avenue, Suite 130
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10. The time, place, and nature of the proceedings for the making, amendment, or repeal of the rule; or, if no proceeding is scheduled, where, when, and how persons may request an oral proceeding on the proposed rule:

The Department has scheduled the following oral proceedings:

Date: December 26, 2000

Time: 9:00 a.m.

Location: Conference Room
Department of Health Services
Bureau of Emergency Medical Services
1651 East Morten, Suite 130
Phoenix, Arizona 85020

Nature: Oral Proceeding

Written comment on the proposed rulemaking or the preliminary economic, small business, and consumer impact summary may be submitted to an individual listed in paragraph 4 and 9 until 12:00 p.m., December 26, 2000, the date scheduled for the close of record.

11. Any other matters prescribed by statute that are applicable to the specific agency or to any specific rule or class of rules:

Not applicable

12. Incorporations by reference and their location in the rules:

Not applicable

13. The full text of the rules follows:

TITLE 9. HEALTH SERVICES

CHAPTER 13. DEPARTMENT OF HEALTH SERVICES

HEALTH PROGRAMS SERVICES

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ARTICLE 8. BASIC EMERGENCY MEDICAL TECHNICIAN CERTIFICATION REPEALED

ARTICLE 9. AMBULANCE ATTENDANT CERTIFICATION REPEALED

R9-13-901. Certification of ambulance attendants Repealed

ARTICLE 10. AMBULANCE SERVICE LICENSURE

R9-13-1004. Water ambulance service general responsibilities Repealed

ARTICLE 11. AMBULANCE REGISTRATION CERTIFICATE

R9-13-1103. Surface ambulance design requirements Repealed

R9-13-1105. Water ambulance design requirements Repealed

ARTICLE 13. ALS BASE HOSPITAL/AEMT CERTIFICATION REPEALED

R9-13-1301. Supporting service agreements Repealed

R9-13-1302. Responsibilities and requirements Repealed

R9-13-1303. Suspension and revocation Repealed

ARTICLE 14. REGULATION OF AMBULANCES AND AMBULANCE SERVICES REPEALED

R9-13-1401. Definitions Repealed

R9-13-1402. Application for Certificate of Necessity Repealed

R9-13-1403. Hearings; general provisions Repealed

R9-13-1404. Certificate of Necessity; term; posting; general provisions Repealed

R9-13-1405. Transfer of ambulance service Repealed

R9-13-1406. Suspension and revocation Repealed

R9-13-1407. Abandonment or discontinuance of service Repealed

R9-13-1408. Rates and charges; exemption; rate increase; filing and posting of schedule Repealed

R9-13-1409. Insurance or financial responsibility Repealed

R9-13-1410. Required records; reports and data; inspection Repealed

R9-13-1411. Recordkeeping methods and accounts Repealed

R9-13-1412. Fees for copying; fees not refundable Repealed

R9-13-1413. Inspections Repealed

R9-13-1414. Reports Repealed

R9-13-1415. Miscellaneous Repealed

ARTICLE 8. BASIC EMERGENCY MEDICAL TECHNICIAN CERTIFICATION REPEALED

ARTICLE 9. AMBULANCE ATTENDANT CERTIFICATION REPEALED

R9-13-901. Certification of ambulance attendants Repealed

A. A person who is a certified emergency medical technician as defined in A.R.S. § 36-2201 and is 18 years of age or older is deemed to be a certified ambulance attendant under A.R.S. § 36-2202. A person not so certified will not be certified as an ambulance attendant.

B. The term of a person's ambulance attendant certification is deemed concurrent with the person's emergency medical technician certification.

ARTICLE 10. AMBULANCE SERVICE LICENSURE

R9-13-1004. Water ambulance service general responsibilities Repealed

A. Water ambulance services shall not be utilized for transporting patients in need of Advanced Life Support services.

B. Patients in need of Advanced Life Support services shall be taken to the nearest level shore or roadway for continuous transportation by ALS air or surface ambulance.

C. All water ambulances shall comply with the Boating Code, A.R.S. §§ 5-301 through 5-391, and the provisions of The Arizona Game and Fish Boating rules, A.C.R.R. R12-4-501 through R12-4-599, and the following additional requirements:

1. The ambulance shall be at least 20 feet in length and 8 feet in width.

2. The ambulance shall have life preservers, type 1, for each person.

3. Patient's shall be transported in a litter that is equipped with flotation devices approved by the U.S. Coast Guard.

4. The ambulance shall have two type 2 hand portable fire extinguishers on board.

ARTICLE 11. AMBULANCE REGISTRATION CERTIFICATE

R9-13-1103. Surface ambulance design requirements Repealed

In addition to the design requirements stated in R9-13-1102, surface ambulances shall meet or exceed the following minimum requirements:

1. The ambulance shall assure a smooth, stable ride, with nominal noise and vibration; with due consideration of road conditions. The ambulance shall be capable of rapid response and maximum acceleration to speed limits consistent with ambulance operation in traffic and on interstate highways.
2. The ambulance shall be capable of being driven for at least 150 miles without refueling under encountered environmental conditions.
3. The entire body, sides, ends and roof of the patient's compartment shall be insulated and sealed to reduce condition of heat or cold and to minimize external noise or contaminants from entering the ambulance interior.
4. Carbon monoxide (CO) levels within the cab or patient compartment of the ambulance shall not exceed a level greater than ten ppm above the ambient CO in the air.
5. The tires shall be of the same type, style, design, size and load range and may be tube or tubeless with regular highway tread of oversize, low pressure design, offering optimal riding quality. Tires shall have a tread groove pattern depth of at least 4/32 of an inch when measured in a major treadgroove.
6. Each ambulance shall have one inflated spare wheel/tire assembly identical to those on the ambulance.
7. Each ambulance shall be furnished with tools required for changing spare mounted wheel/tire assembly, at any wheel with the tire flat. The jack, without blocking shall be capable of raising any wheel of the loaded ambulance to a height adequate to permit removal and replacement of the wheel/tire assembly.
8. Each ambulance shall be equipped with brakes in accordance with A.R.S. § 28-952.
9. Each ambulance shall be equipped with a horn and siren in accordance with A.R.S. § 28-954.
10. Each ambulance shall be equipped with a muffler in accordance with A.R.S. § 28-955. The exhaust shall discharge away from the fuel tank filler pipe(s) and door(s) to minimize fumes and contaminants entering the interior.
11. Each ambulance shall be equipped with rear vision mirrors in accordance with A.R.S. § 28-956.
12. Each ambulance shall be equipped with a windshield and windshield wipers in accordance with A.R.S. §§ 28-957 and 28-957.01. The windshield wiper system will include a water supply sufficient to maintain a clear windshield during transport of a patient.
13. The patient compartment of the ambulance shall be sufficient in size to transport occupants and accommodate all the stretchers, cots, and litters which the ambulance is designed to carry. There shall be space to permit a technician to administer life support treatment to at least one patient during transit.
14. Each ambulance shall provide a crash stable side or center mounting style fastener of the quick release type which shall secure the litter to the ambulance body.
15. Each ambulance shall provide adequate storage area or securing devices to prevent items from flying about the patient compartment while the ambulance is in motion or overturned.
16. The interiors of each ambulance shall be free of all sharp projections. All hangers or supports for equipment and devices shall be mounted as flush as possible with the surrounding surface when not in use. Padding shall be placed at all head area obstructions which may prove dangerous to persons moving about in the patient compartment.

R9-13-1105. Water ambulance design requirements Repealed

All water ambulances shall:

1. Be of such design to permit safe operation of devices such as litters, stretchers, stokes basket, etc., entering or exiting the watercraft.
2. Be of such design that hull vibration and engine noise will not affect the patient or patient care.
3. Be equipped with a separate electrical driven motor and electrical system for emergency power if the main power source fails.
4. Have an electrical system capable of supporting any auxiliary equipment on, or in, the water ambulance without the threat of overload or system failure.

ARTICLE 13. ALS BASE HOSPITAL/IEMT CERTIFICATION REPEALED

R9-13-1301. Supporting service agreements Repealed

A. A health care institution applying for certification as an ALS base hospital/IEMT shall provide for IEMT staffing through one of the following procedures:

1. The health care institution shall employ and pay wages or salaries of IEMT's through its regular payroll procedures.
2. The health care institution shall provide, through a written agreement with an agency authorized to provide IEMT services pursuant to A.R.S. § 36-2201, for both on-line medical supervision and administrative medical direction of IEMT's employed by such agency.

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- B.** A health care institution applying for certification as an ALS base hospital/IEMT shall submit to the Department written documentation that:
1. An emergency vehicle unit will be available whenever possible, staffed by IEMT's for the purpose of delivering emergency medical care to the sick and injured at the scene of an emergency. Such vehicle need not be physically based at the ALS base hospital/IEMT.
 2. Emergency vehicle units assigned to the applicant ALS base hospital/IEMT shall not be assigned concurrently to any other facility for administrative medical direction of the IEMT's staffing the unit.
 3. On-line medical supervision will be exercised according to specific procedures consistent with these regulations.
 4. When ALS skills have been instituted, an IEMT will remain with the patient until transfer of care to the staff of an emergency receiving facility, ALS base hospital/IEMT, or another comparably staffed ALS equipped emergency vehicle unit.
 5. There will be prompt replenishment of, and compensation for, medical and pharmacy supplies expended by IEMT's during treatment of a patient who is transported to any facility.
 6. All individuals who function as the ALS base hospital/IEMT medical control authorities or intermediaries receive at least 24 hours per year experience on emergency vehicle units in order to gain pre-hospital experience, to observe pre-hospital conditions and procedures.
 7. On-going evaluation, monitoring, and continuing education of IEMT's is provided by the ALS base hospital/IEMT and its medical control authorities.
- C.** A health care institution applying for certification as an ALS base hospital/IEMT may enter into agreements with ALS system hospitals for the administrative medical direction of IEMT's assigned to the applicant for on-line medical supervision. Such agreements shall provide that all on-line supervision of IEMT's shall be accomplished by the applicant facility and shall also provide for:
1. Assignment of IEMT emergency vehicle units to ALS system hospitals for purposes of monitoring continuing education, and pre-hospital care review.
 2. Appointment of pre-hospital care medical director and registered nurse coordinator from the ALS system hospital who are responsible for supervising pre-hospital activities.
 3. Prompt replenishment of ALS supplies and medications at the ALS system hospital.
 4. Participation by the ALS system hospital medical director as a member of applicant facility's pre-hospital care committee.
 5. A physician to be present and ready to assume patient responsibility in the ALS system hospital emergency department within 15 minutes of notification.
 6. Adherence by the ALS system hospital to medical control plans adopted by the ALS base hospital/IEMT and the local EMS coordinating system.

R9-13-1302. Responsibilities and requirements Repealed

- A.** An applicant for certification as an ALS base hospital/IEMT shall:
1. Submit a written endorsement of the hospital's application by the hospital's governing board or board of trustees which reflects the consideration of the medical staff, including the emergency department medical director.
 2. In regions where a local emergency medical services coordinating system has been designated, submit written documentation of that system, which includes comments on the appropriateness of the application in regards to that system's plan for medical control of advanced life support.
- B.** Staffing requirements. ALS base hospitals/IEMT shall:
1. Have physically present at all times in the emergency department, an emergency physician who functions as the medical control authority:
 - a. Such physician shall be knowledgeable of the capabilities and limitations of IEMT's, as well as established standing orders, treatment, triage, and communications protocols.
 - b. The emergency physician shall designate an emergency department nurse or emergency physician's assistant who may function as an intermediary for on-line medical supervision under the direction of the emergency physician.
 2. Identify as ALS base hospital/IEMT medical director an emergency physician who is responsible for administrative medical direction of the IEMT base and pre-hospital care personnel.
 3. Appoint an emergency physician, emergency department nurse, certified emergency paramedic or emergency physician's assistant to act as coordinator for all ALS pre-hospital activities and responsibilities of the ALS base hospital/IEMT.
- C.** Operating procedures. An ALS base hospital/IEMT shall:
1. Procure operational radio equipment, compatible with the Department of Public Safety Statewide EMS Communications Systems and any local EMS communications system approved by the Department of Public Safety. Such equipment shall be located in the emergency department for the purpose of providing direct communication with IEMT's.

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2. Provide a dedicated telephone line for pre-hospital emergency care personnel to contact the ALS base hospital/IEMT's.
 3. Immediately communicate all pertinent patient management information to the responsible physician or nurse at the receiving facility when a patient is to be transported to another receiving facility. If the receiving facility is also a certified ALS base hospital/IEMT, care of the patient and direct communication with IEMT's rendering that care may be transferred to the receiving medical control authority at the discretion of the sending medical control authority.
 4. Utilize and adhere to the medical control plans adopted by the local EMS coordinating system. In regions where no medical control plans have been adopted, plans provided by the Department at the recommendation of the Emergency Medical Services Council shall be utilized. The medical control plans shall include standing orders and shall include the following:
 - a. Treatment protocols.
 - b. Triage protocols.
 - c. Communication protocols.
- D. Quality control and education commitment.** An ALS base hospital/IEMT shall:
1. Provide for supervised clinical training for IEMT continuing education.
 2. Assist with, or conduct, continuing education programs as required for IEMT recertification.
 3. Provide monthly a minimum of two hours of formal pre-hospital care review and pre-hospital care continuing education for emergency physicians, nurses, and IEMT's.
 4. Appoint a pre-hospital care committee consisting of a representative of the ALS base hospital/IEMT medical director, the ALS base hospital/IEMT coordinator, an emergency physician, an emergency department registered nurse, an administrative representative, an IEMT, and an IEMT employer representative. This committee shall:
 - a. Ensure that the medical, administrative, emergency physician, and nursing staffs are oriented to the program.
 - b. Establish and implement a system for evaluating the results of IEMT responses and auditing the quality of medical care provided.
 - c. Establish and implement a system for identifying continuing educational needs of IEMT's.
 - d. Assure case reviews of every IEMT encounter carried out under on-line medical supervision.
 - e. Establish and implement a written procedure which will identify methods for resolving problems which may arise concerning the performance, competence, and medical inter-relationships of IEMT's, emergency physician's assistants, emergency department nurses, and emergency physicians.
- E. Reporting requirements.** An ALS base hospital/IEMT shall:
1. Submit monthly reports and requested information to the Department on forms approved by the Department.
 2. Cooperate with and assist the Department in collecting statistics and evaluating performance and costs relating to utilization of IEMT's.
- F. Term of certification and recertification**
1. Application for certification and recertification as an ALS base hospital/IEMT shall be made to the Department on forms specified by the Department.
 2. Certification as an ALS base hospital/IEMT shall be for a period of two years provided that the conditions of A.R.S. § 36-2201 et seq. and this Article are met throughout the certification period.
 3. Application for recertification shall be submitted at least 90 days prior to the expiration date of the current certification.

R9-13-1303. Suspension and revocation Repealed

- A.** After notice and opportunity to be heard is given according to the procedures described in A.R.S. Title 41, Chapter 6, Article 1 and in Chapter 1, Article 1 of this Title, certification may be suspended or revoked upon the following grounds:
1. That the ALS base hospital/IEMT has in any way provided false information to the Department for the purpose of evaluation or certification.
 2. That the ALS base hospital/IEMT has failed to conform with the applicable requirements of A.R.S. Title 36, Chapter 21.1, Article 1 or the regulations in this Article.
- B.** If, in the opinion of the Director, there is sufficient information indicating that the ALS base hospital/IEMT has engaged in the activities described in subsection (A), the Director may request an information interview with the medical director of the ALS base hospital/IEMT concerned. If he refuses such invitation, or if the interview is attended and if the results of such interview indicate suspension or revocation of certification is warranted, then proceedings may be initiated as provided by A.R.S. Title 41, Chapter 6, Article 1 and Chapter 1, Article 1 of this Title.

ARTICLE 14. REGULATION OF AMBULANCES AND AMBULANCE SERVICES REPEALED

R9-13-1401. Definitions Repealed

- A.** When used in this Article, words defined in A.R.S. § 36-2201 and in R9-13-1401, shall have the same meaning herein.
- B.** In this Article, unless the context otherwise requires:

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1. ~~“Affected region” means the total geographical area of the service areas of all ambulance services that operate within or adjacent to the service area concerned.~~
2. ~~“Air ambulance” means an ambulance that is designed and manufactured to travel by air, and includes fixed-wing aircraft and helicopters.~~
3. ~~“Applicant” means the person seeking a Certificate of Necessity under this Article.~~
4. ~~“Base rate” means a flat rate charge based on level of service performed by a land or water ambulance service.~~
5. ~~“Central operations station” means the physical facility or airport at which an ambulance service conducts its principal, or most substantial part of its ambulance service operations within the service area granted under its Certificate of Necessity.~~
6. ~~“Certificate holder” means the person to whom a Certificate of Necessity is issued.~~
7. ~~“Certificate of Necessity” means a certificate issued to an ambulance service by the Department pursuant to Article 2, Chapter 21.1 of Title 36, Arizona Revised Statutes which describes, but is not limited to, its service area, central operations station, and any sub-operations station.~~
8. ~~“Change” means an action or occurrence by which a situation relevant to licensure has become distinctly and materially different so that it can reasonable be expected that the ambulance service does not or will not conform to the conditions of its current Certificate of Necessity.~~
9. ~~“Change of service area of sub-operation station” means a change involving a relocation of ambulances, related equipment, and personnel housed at one location for housing at another location so that it is no longer possible for the ambulance service making the change to conform to the conditions of its Certificate of Necessity regarding its designated service area.~~
10. ~~“Communications base” means the location at which equipment is housed for use in two-way communications with ambulance or medical facilities and which controls the dispatch of ambulances and personnel of an ambulance service.~~
11. ~~“Disaster” means a sudden major catastrophe or emergency or other temporary condition determined to have resulted or to be likely to result in such widespread damage and such mass casualties or threats to the health and safety of members of the public that available ambulance services cannot reasonably be considered adequate to respond to the emergency needs of the affected public.~~
12. ~~“Mileage charge” means the rate assessed by a surface or water ambulance service, measured in miles from the point at which the ambulance receives the patient to the point of final destination (loaded miles). When charges are to be computed for part of a mile, a fraction of a mile of 4/10 or less will be rounded off to the last whole mile and a fraction of a mile of 5/10 or more will be rounded off to the next whole mile.~~
13. ~~“Patient” means an individual who is sick, injured, wounded or otherwise incapacitated or helpless.~~
14. ~~“Response Time” means the actual elapsed time between notification of a request for service by an ambulance service and the arrival of the ambulance at the point of patient origin.~~
15. ~~“Service area” means the geographic area served by an ambulance service within the response times established and which the ambulance service has been granted authority to serve in its Certificate of Necessity.~~
16. ~~“Stand-by rate or waiting charge” means the rate assessed by a surface or water ambulance service, on an hourly basis or fraction thereof, when a surface or water ambulance is held in excess of 15 minutes to load or 15 minutes to unload or for the convenience of the patient or for other authorized reasons through no fault of the ambulance service or except as may be otherwise defined by a contract between the ambulance service and the patient or his third party payor.~~
17. ~~“Sub-operation station” means a physical facility or airport at which an ambulance service conducts operations for the dispatch of ambulances and personnel, other than at its central operations station, and which is within its service area granted under its Certificate of Necessity.~~
18. ~~“Variance” means permission granted by the Department, for a time-limited period not exceeding 120 days, to comply in a manner other than that generally specified in a specific regulation.~~
19. ~~“Waiver” means permission granted by the Department not to comply with a specific regulation.~~

R9-13-1402. Application for Certificate of Necessity Repealed

~~**A.** Initial application. Each applicant for a Certificate of Necessity shall file an application with the Department in duplicate on a form prescribed and provided by the Department, which shall include, at a minimum, the following categories of information to allow a determination if public necessity requires the service or any part of the service proposed, if response times are adequate, and if proposed rates and charges are reasonable:~~

1. ~~The names, addresses, and telephone numbers of the following:~~
 - a. ~~Applicant (who shall be the owner of the ambulance service or an individual to whom he has given a power of attorney to apply for a Certificate of Necessity or other related ambulance service matters).~~
 - b. ~~If a corporation, the principal stockholders (10% or more stock).~~
 - c. ~~All officers, if a corporation.~~
 - d. ~~Individual who maintains or will maintain books, records, and other data.~~

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- e. Medical director or medical advisor of the service and base hospital or affiliated medical facility, if any, if IEMT or ALS level service will be offered.
 2. Type of business (individual, partnership, corporation, other — specify).
 3. The type and identification of the entity responsible for operation, if different from ownership.
 4. The trade name or other name, if any, under which the applicant does business or proposes to do business.
 5. The address of the central operations station and any sub-operation station(s).
 6. A declaration and complete description of all of the geographic boundaries of the proposed area that the applicant intends to serve as an ambulance service and for which it seeks authority. Such a service area may contain one or more sub-operation stations within its proposed geographic service area. An applicant shall affirmatively substantiate the reasonableness of the service area for which approval is sought according to the following considerations:
 - a. The average and maximum probable response time in good and severe weather from its proposed central operations station to the most distant boundary in its service area; or, if the applicant's service area is to contain one or more sub-operation stations, the average and maximum probable response time in good and severe weather from its central operations station within its service area and any sub-operation station to the points most distant from any operation station, central or sub.
 - b. The projected distances to be traveled to provide such service.
 - c. If other ambulance service providers already operate in all or part of the service area requested in the application, the applicant shall also file a statement describing why the proposed service would be in the best interest of the public.
 - d. The statement required by subparagraph (c) shall be complete, and it shall be prepared with the objective of realistically informing the Department.
 7. Back-up coverage, including reserve ambulance(s) available to the applicant, and any signed mutual aid agreements with neighboring providers.
 8. Actual past and estimated future utilization of ambulances, related equipment and personnel.
 9. The location of the communications base and a description of the communications equipment in the applicant's ambulances and in its communications base.
 10. A listing and description of all ambulances to be used by the ambulance service.
 11. Basic actual or estimated financial data, including:
 - a. Balance sheet, operating or income statement, and a statement of changes in financial position.
 - b. Revenue or income (Actual and in-kind).
 - c. Actual or projected schedule of rates and charges.
 - d. Sources of revenue by type.
 - e. Expenses by category.
 - f. Listing of all capitalized ambulance equipment (depreciation schedule).
 - g. Copies of ambulance service contracts and subscription service contracts.
 - h. Purchase or lease agreements on real estate, ambulances, and equipment items exceeding \$5,000,00.
 - i. Copies of federal and state grants or contracts.
 - j. Other sources and amounts of financial assistance.
 - k. Copies of insurance policies.
 - l. Balance sheet and income statement on other affiliated business activities when they relate directly or indirectly to ambulance service operations.
 12. Statement by applicant as to work experience and qualifications to operate an ambulance service and to why the Department should find that applicant to be a fit and proper person.
 13. Statement by applicant if ever convicted of a felony or a misdemeanor involving moral turpitude or if applicant has ever had an ambulance service certificate or license suspended or revoked by any state or municipality. If "yes" to any of these items, provide an explanation in the statement.
- B.** Change of service application. Each applicant requesting a change in its approved service area, central operations station or any sub-operation station or the establishment of a new sub-operation station shall include, at a minimum, the following additional categories of information:
1. A description and justification of the proposed change in service area, central operations station or sub-operation station or any new sub-operation station.
 2. A description of the geographic features of the service area that have a direct bearing on the proposed service or modified service.
 3. A statement of all costs associated with the change(s) requested, including any capital costs, operating costs, equipment or personnel costs, projected patient charges for at least one year, and any other related information or data.
- C.** Renewal application
1. The Department will notify the ambulance service of the need to renew its Certificate of Necessity approximately 100 days prior to the expiration date of the then current Certificate of Necessity. Renewal applications shall be submitted on a form prescribed and provided by the Department.

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2. The ambulance service shall file the renewal application with any required exhibits and fees at least 60 days prior to the expiration date of the Certificate of Necessity to be renewed in order to allow for needed processing and review by the Department.
 3. If an ambulance service fails to file a timely application for renewal of its Certificate of Necessity or is not granted a renewal Certificate of Necessity, it shall cease all ambulance service operations in this state on and after the expiration date of its Certificate of Necessity. To commence operations again, an ambulance service must file a new application, pay required fees, and meet all other requirements for a Certificate of Necessity as though the owner were an original applicant before the Department.
- D.** Applicants will be required to furnish such other information as may be needed by the Department to clarify incomplete or ambiguous information contained in the application or in any documents filed with the application.
- E.** The application shall contain or be accompanied by a written declaration that it, and any documents filed with the application, is made under penalties of perjury.
- F.** The ambulance service applicant shall pay those fees specified in A.R.S. § 36-2240 to the “Arizona Department of Health Services” by certified funds (money order, cashier’s check, bank draft), at the time an application is filed.
- G.** If the Department determines that an applicant has failed to reasonable comply with filing requirements, the Department shall either:
1. Dismiss the application by written order and state its reasons therein, or
 2. Return the application and any documents filed with the application, with a statement containing its reasons therefor, and allow the applicant a reasonable period of time within which to comply, but not to exceed 30 days.

R9-13-1403. Hearings; general provisions Repealed

- A.** All required public hearings will be conducted in accordance with A.R.S. Title 41, Chapter 6, Article 1 and Chapter 1, Article 1 of this Title.
- B.** There will be one public hearing regarding any ambulance to ambulance service matter or action. Such hearings may continue for more than one session.
- C.** Applications or actions regarding Certificates of Necessity of more than one ambulance service within any service area may be considered at the same public hearing.
- D.** Any interested person, including the Department staff, may attend a hearing and offer oral or written testimony or other evidence relevant to the application or referenced in the Notice of Hearing.
- E.** The scope of the testimony and evidence offered and questions asked shall be confined to the application of anything referenced in the Notice of Hearing.
- F.** Decisions and orders of the Director will rest on facts and evidence presented at the hearing.
- G.** The record of each hearing before the Department will be preserved for a period of three years and will be made available for examination upon request.

R9-13-1404. Certificate of Necessity; term; posting; general provisions Repealed

- A.** Term
1. An initial Certificate of Necessity issued to an ambulance service shall be for a term of one year and shall expire on the last day of the 12th month following the date issued.
 2. If the holder of a Certificate of Necessity timely applies for a renewal and has met all required conditions and paid the fees prescribed, the Director will renew the Certificate of Necessity for a term not to exceed three years, unless good cause for refusal or renewal for a shorter term has been determined by the Director.
- B.** Posting. Any Certificate of Necessity, or a copy thereof, issued by the Department, shall be posted in a conspicuous place in the central operation station and any sub-operation station of the ambulance service.
- C.** General provisions
1. One Certificate of Necessity will be issued to an ambulance service for each service area and for each sub-operation stations within the service area granted by the Director.
 2. A Certificate of Necessity is valid when signed by the Director and on the date shown on its face.
 3. Every Certificate of Necessity issued by the Department will identify the approved service area, central operations station, and any sub-operation station(s). No ambulance service shall expand its service area, change its central operations station and any sub-operation station, or establish any new sub-operation station without the prior approval of the Department and the issuance of a new or amended Certificate of Necessity. Failure to comply with this provision may result in an action to cancel the Certificate of Necessity.
 4. The Department may issue a Certificate of Necessity as applied for, or may issue it for only part of the ambulance service proposed, as determined necessary by the Director.
 5. A new or an amended Certificate of Necessity will be issued by the Department following an approval of any matters relating to service area, central operations station or sub-service area stations.

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6. The Director may issue a Certificate of Necessity to more than one ambulance service within the same service area if the Director deems that such action is in the public's best interest. In doing so, factors which the Director may consider include:
- a. Application and any accompanying documents and statements.
 - b. Population density.
 - c. Geographic distribution of hospitals.
 - d. Number of requests for ambulance service per month within service area.
 - e. Response times.
 - f. Utilization of ambulances, support equipment and personnel.
 - g. Cost of operations and net profits.
 - h. Adequacy of existing ambulance service(s) in the service area.
 - i. Records and data on file with the Department.

~~R9-13-1405. Transfer of ambulance service Repealed~~

- ~~**A.** Whenever a transfer of an ambulance service is proposed or upon any change in type of business entity (e.g., individual to partnership or corporation; partnership to individual or corporation) or change in ownership or control of the ambulance service, a written request for approval to transfer a Certificate of Necessity shall be made to the Department together with appropriate fees and exhibits and shall be executed by both parties.~~
- ~~**B.** The Department will give notice of a hearing regarding any written request to transfer an ambulance service or change in type of business entity or in ownership or control of the ambulance service.~~
- ~~**C.** If, after hearing on a written request to transfer an ambulance service, the Director finds that the transaction proposed will be consistent with the public interest, such transfer will be approved.~~
- ~~**D.** If a license terminates pursuant to A.R.S. § 36-2212(C) the Certificate of Necessity issued to the current ambulance service shall remain in effect for a period, not to exceed 90 days, to allow a written request to transfer a Certificate of Necessity to be granted or denied by the Director.~~
- ~~**E.** When any Certificate of Necessity is approved to be transferred, the Director will issue to the transferee a new certificate that is valid only for the unexpired term of the transferred certificate.~~

~~R9-13-1406. Suspension and revocation Repealed~~

- ~~**A.** After notice and opportunity to be heard is given according to the procedures described in A.R.S. Title 41, Chapter 6, Article 1 and in Chapter 1, Article 1 of this Title, a Certificate of Necessity may be suspended or revoked for the following reasons:~~
- ~~1. That the certificate holder has provided false information to the Department:~~
 - ~~a. For the purpose of the evaluation of an application for a Certificate of Necessity.~~
 - ~~b. Regarding any matters relating to its ambulance and ambulance service operations.~~
 - ~~2. That the certificate holder has failed to:~~
 - ~~a. Conform with the applicable requirements of A.R.S. Title 36, Chapter 21.1, Articles 1 and 2 or applicable regulations in this Article.~~
 - ~~b. Comply with its Certificate of Necessity and any schedule of rates and charges filed with and approved by the Department.~~
 - ~~c. Meet its established response times.~~
 - ~~d. Maintain required insurance or financial responsibility.~~
 - ~~e. Submit prescribed reports on a timely basis.~~
- ~~**B.** Before a person may commence operations again, after revocation of a Certificate of Necessity by the Department, for whatever valid reason, the person shall file an application, pay required fees, and meet any other requirements of the Article the same as though the owner were an original applicant before the Department requesting authority to operate an ambulance service in this state.~~

~~R9-13-1407. Abandonment or discontinuance of service Repealed~~

- ~~**A.** An ambulance service desiring to abandon or discontinue any service or portion thereof, shall submit a written request to the Department which shall state in detail the justification for the proposed abandonment or discontinuance of ambulance service.~~
- ~~**B.** The Department will not authorize abandonment or discontinuance of an ambulance service or any portion thereof except for good cause or where services to the public will not be adversely affected.~~

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~~R9-13-1408. Rates and charges; exemption; rate increase; filing and posting of schedule Repealed~~

- ~~A.~~** Exemption. Air ambulance services are exempt from the filing of a schedule of rates and charges with the Department. However, as a matter of good business practices and courtesy to the public, an air ambulance service granted a Certificate of Necessity by the Department should publish and keep available to the public at its central operation station and at each sub-operation station, a schedule showing its rates and charges, and any operating rules and regulations. Any such document published by an air ambulance service shall also be filed with the Department.
- ~~B.~~** Ambulance service contracts. All contracts, except those contracts with a federal agency, regarding the providing of ambulance and ambulance service will be approved by the Director and may require a public hearing to determine or alter rates or charges, or other provisions or to determine if any rate or charge is unjust, unreasonable, or non-compensatory, unless the provisions specified in A.R.S. § 36-2234(C) or (D) apply. The Director's approval will be conditioned upon a finding that any rates or charges, or other provisions specified in the contract shall not cause any fixed rate or charge to the general public to be adversely affected.
- ~~C.~~** Unauthorized charges or services. When complaint is made to the Department concerning any rate or charge or any rule or regulation established for any ambulance service, and after investigation the Department determines that the ambulance service has made unauthorized charges or services, the Department will request that the ambulance service make reparation to the complainant. If the ambulance service does not comply with the request of the Department, the Department may set a public hearing to determine whether the ambulance service should make reparation to the complainant and to determine if the ambulance service is fit and proper person. The provisions of this subsection also apply if, during an inspection by a representative of the Department of the records and books of an ambulance service, it is discovered that any unauthorized charges or services were provided.
- ~~D.~~** Request for rate increase:
1. Filing of request. An ambulance service which is seeking a rate increase shall:
 - a. State the reasons why the rate increase is needed and what specific areas and cost changes are involved.
 - b. Bear the burden of proof as to the need for a rate increase.
 - c. Provide a sworn statement that to the best of its knowledge, the financial statement, documents, or exhibits being filed are true, correct and complete and have been prepared from the books and records of the ambulance service.
 2. Filing of operating statements, documents, and exhibits. Any ambulance service that requests an increase in any rate or charge in excess of the GNP Price Deflator as defined in A.R.S. § 41-563, subsection (E), shall file the following minimum financial statements and information with the Department:
 - a. A balance sheet.
 - b. Income statement.
 - c. A statement of changes in financial position.
 - d. A projected revenue and expense statement that reflects proposed increases or decreases in revenues and any known actual or substantiated projected.
 - e. Copy of most recent audit report if the ambulance service has been audited by a Certified Public Accountant (CPA).
 - f. A summary of revenue by approved rates and charges.
 - g. A schedule of any other services provided by the ambulance service under the same business structure.
 - h. Depreciation schedules.
 - i. Net purchase cost of supplies and equipment which are generally used in an ambulance in providing treatment to patients, together with the proposed percent of markup.
 - j. Any other documents or exhibits that would support the need for a rate increase.
 3. Other filing provisions:
 - a. The Department may request additional information and data in order for it to make a proper review, to clarify incomplete or ambiguous information, and make an informed decision.
 - b. The Department reserves the right to review and audit the financial records and books of an ambulance service.
 - c. Financial reports and information provided to the Department shall cover a one-year period and shall be filed with the Department no later than 120 days after the end of the report year utilized.
 - d. Cost increases reflected in any document or exhibit that are filed with the Department should be stated in both a dollar amount and a percentage of increase and reflect only known actual cost increase or substantiated projected increases. The Department will not give weight to any future inflationary expectations.
 - e. Should the Department request additional information and documents and the ambulance service fails to comply with the request by the set filing date, the Department will dismiss the request for a rate increase without a written order or hearing and return all filings to the ambulance service on the basis that the Department does not have sufficient information or data or that the information or data on hand is no longer current in order for the Department to make an informed decision.
- ~~E.~~** Rate setting considerations. When establishing appropriate and reasonable rates and charges the Director may consider the following factors:
1. The necessary direct and indirect actual expenditures in providing ambulance services.

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2. The balance sheet.
 3. The income statement.
 4. The ratio between variable and fixed costs.
 5. Increases or decreases in the GNP Price Deflator (A.R.S. § 36-2234(C)(4)).
 6. The method of indirect cost allocation to specific cost center areas.
 7. The return on the owner equity.
 8. Reimbursable and non-reimbursable charges.
 9. Records and data on file with the Department.
- F.** Fixed rates or charges. The schedule of rates or charges fixed by the Director shall include the following general classifications:
1. Base rate for basic life support (BLS) by an ambulance service.
 2. Base rate for advanced life support (ALS) by an ambulance service.
 3. Stand-by or waiting charge.
 4. Mileage rate.
 5. Accessorial equipment service and medical supply items.
- G.** Filing of schedule of rates and charges.
1. An ambulance service shall file its schedule of fixed rates and charges with the Department.
 2. No increase shall be made by any ambulance services in any rate or charge unless and until the new fixed increases have been filed with and approved by the Department by issuance of a new or amended schedule or by page change.
 3. A schedule of rates and charges required to be filed under paragraphs (1) and (2) shall include, as a minimum, the following schedules, rules and regulations:
 - a. A schedule printed in legible type containing a detailed listing of all services and items for which a separate charge will be made to each patient.
 - b. A copy of all rules and regulations which may in any way change, affect or determine any part or the aggregate of the rates or charges fixed by the Director or the value of the services or supply items covered by the schedule.
 - c. Title page
 - d. Check sheet page
 - e. Table of contents page
 - f. A description of the service area, central operations station, and any approved sub-operation station, as granted by the Department.
 - g. Section on accessorial equipment service and medical supply items and their approved charges.
 - h. Section on approved ambulance service rates.
 - i. Explanation of abbreviations and reference marks page.
 4. The rates or charges fixed by the Director shall take effect on the date that a proper schedule or an amended schedule or page change is filed with the Department or on such later date as may be specified on the schedule. The order issued by the Department granting any increase or change will be so noted on the schedule. Any approved change in a schedule shall be so marked by an abbreviation or reference mark preceding or following the item.
- H.** Posting of schedules. Each ambulance service shall post and maintain at all times, for public inspection, in a conspicuous place at its central operations station and at any approved sub-operations station, a copy of the current schedule approved by the Department. The schedule must have an issue stamp of the Department to be official. When requested, the ambulance service shall assist interested persons to understand the content, provisions, and rates and charges contained in the schedule.

~~R9-13-1409. Insurance or financial responsibility Repealed~~

- ~~A.~~** To protect the interests of the public, ambulance services shall maintain at all times in force and effect minimum liability and malpractice insurance coverage of \$1,000,000.
- ~~B.~~** A copy of every Certificate of Insurance or other satisfactory evidence of insurance coverage shall be filed with the Department and shall be executed by an insurance company that is authorized to transact business in this state.
- ~~C.~~** The liability insurance policy or policies shall bind the insurer to pay compensation for injuries to persons and for loss or damage to property resulting from the negligent operation of an ambulance service or by reason of the ownership, maintenance or use of any ambulance owned or operated by the ambulance service.
- ~~D.~~** The Director will revoke the Certificate of Necessity of any ambulance service which fails to comply with this rule or any other applicable federal or state laws regarding insurance or financial responsibility.
- ~~E.~~** Before a person may commence operations again, after revocation of its Certificate of Necessity, the person shall file an application, pay required fees, and meet any other requirements of this Article the same as though the owner were an original applicant before the Department requesting authority to operate an ambulance service in this state.

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~~R9-13-1410. Required records; reports and data; inspection Repealed~~

~~A. Required records~~

- ~~1. An ambulance service shall maintain for review and inspection by the Department, the following records, books and other data:
 - a. Balance sheet and income statement and all source documentation (business papers) supporting entries to these two financial statements.
 - b. Federal and state income tax documents and supporting records
 - c. Employee related expense reports and records and time-keeping records.
 - d. Bank statements and canceled checks.
 - e. Notes and bad debt records.
 - f. Depreciation schedules or accounting records on service vehicles, service support equipment, office furniture, and other plant and equipment assets.
 - g. Ambulance run tickets and related documents.
 - h. Billings and supporting documents.
 - i. Dispatch logs.
 - j. Contracts, grants, and financial assistance records relating to any and all ambulance and ambulance service operations.~~
- ~~2. At each office where records are maintained or stored the records shall be arranged so that they may be readily identified and made available to the Department representative(s).~~
- ~~3. Every ambulance service shall protect required records from fires, flood, and other hazards and safeguard the records from unnecessary deterioration.~~
- ~~4. If any required record, book, and other data is destroyed or lost before the prescribed period, a statement shall be prepared, listing as accurately as possible, the records destroyed or lost and describing the circumstances under which they were destroyed or lost. The statement shall be certified by the owner or a principal officer of the ambulance service company.~~
- ~~5. The records referred to in this regulation may not be destroyed after an ambulance service is totally discontinued and completely liquidated unless the required retention period has lapsed. If an ambulance service is merged with or transferred to another ambulance service under jurisdiction of the Department, the successor shall preserve records of the other ambulance service for the retention period specified.~~

~~B. Reports and data.~~ Every ambulance service shall file with the Department reports of earnings and expenses, financial information, statistical reports and data as may be deemed necessary for purposes of evaluating the operation of ambulances and ambulance service in this state.

~~C. Inspection of records~~

- ~~1. When requested by the Department, an ambulance service shall provide to the Department copies of any records, books and other data in its possession, or in any way relating to or affecting its ambulance services.~~
- ~~2. The Director or his appointed representative(s) may, at any time during usual business hours, inspect the records, books, accounts, papers and documents, and other data of an ambulance service to verify their truth and accuracy. If any required records are maintained outside of this state, the ambulance service shall, upon request by the Director, make the records available at a location within this state designated by the Director. If the required records are maintained outside of this state and will not be made available at the Director's designated location, the Director shall require the ambulance service to whom a reasonable records request has been made to pay in advance subsistence and travel expenses for the Director's appointed representative(s) to conduct an examination of the records.~~

~~R9-13-1411. Recordkeeping methods and accounts Repealed~~

~~A.~~ Each ambulance service shall establish and maintain a uniform system and classification of accounts.

~~B.~~ To carry out the provisions of A.R.S. § 36-2232 et seq. and this regulation, the generally accepted accounting principles and concepts established by the American Institute of Certified Public Accountants (AICPA) or issued by the Financial Accounting Standards Board (FASB) will serve as the guide in measuring, recording, and reporting the financial affairs and activities of an ambulance service.

~~R9-13-1412. Fees for copying; fees not refundable Repealed~~

~~A.~~ Certifications and copies. Certifications and copies of such public records and documents on file with the Department, as may be practicable to furnish, will be furnished on the following basis:

- ~~1. \$1.00 for each document to be certified.~~
- ~~2. \$0.25 for each page or partial page for making copy of document, with a minimum charge of \$1.00 for such service.~~

~~B.~~ Fees not refundable. After an application for a Certificate of Necessity or an application to amend, transfer or renew a Certificate of Necessity has been accepted for filing by the Department, the filing fee will not be refunded, regardless of whether the application is granted or approved, denied, dismissed, or withdrawn. However, if an application is rejected by the Department at the time of filing as incomplete or for some other reason, the fee will be returned.

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~~R9-13-1413: Inspections Repealed~~

- ~~A:~~ The Department may at any time and without notice inquire into the operation of an ambulance service and may conduct or cause to be conducted, on-site at any hour, inspection in all areas or matters affecting services to the public or involving the regulation of ambulances or ambulance services.
- ~~B:~~ If the Department's designated representative(s) determines after an investigation or inspection that a condition or circumstance exists that constitutes a threat to public health, safety, or welfare, the Department's representative may recommend to the Director that he take action to immediately suspend the license or certificate, or both, of the ambulance service.
- ~~C:~~ The Director or any designated representative shall not be denied the right to travel upon any ambulance in order to conduct an inspection of any area or matter affecting service to the public or involving the regulation of ambulances or ambulance service when such travel will not directly interfere with services or treatment to a patient.

~~R9-13-1414: Reports Repealed~~

- ~~A:~~ Ambulance service dispatch logs
 - ~~1:~~ Each ambulance service shall maintain and keep current a daily ambulance service dispatch log for all ambulance calls received and shall record all information specified by the Department on a form provided or approved by the Department.
 - ~~2:~~ The dispatch logs shall be cumulative through each month.
 - ~~3:~~ On or before the 15th day of each month, the ambulance service shall submit a duplicate of its dispatch logs for the previous month to the Department.
- ~~B:~~ Patient encounter records
 - ~~1:~~ Each ambulance service shall complete and maintain patient encounter records on a form provided or approved by the Department.
 - ~~2:~~ A copy of each patient encounter record shall be submitted, when requested, by the Department.
- ~~C:~~ Financial statements
 - ~~1:~~ Each ambulance service shall file with the Department no later than 105 days following completion of their annual accounting period financial and operating statements for the preceding accounting period or portion thereof if the ambulance service was not in operation for the full accounting period.
 - ~~2:~~ The Department reserves the right to audit the books, papers, and financial records of an ambulance service or to request that such review be performed by an independent source at the Department's expense in order to verify the accuracy of any financial and operating statements or related reports or to obtain any required ambulance and ambulance service data.
- ~~D:~~ Accidents. A report of any accidents involving an ambulance in the state which results in loss of life or injury to person(s) which requires treatment, property damage in an amount exceeding \$500.00, or which renders an ambulance incapable of operating as an ambulance shall be filed with the Department in writing within five days after the occurrence.

~~R9-13-1415: Miscellaneous Repealed~~

- ~~A:~~ Notice by ambulance service of responsible officer or person.
 - ~~1:~~ Each ambulance service shall file with the Department a written statement containing the name, addresses (business, residence and post office) and telephone numbers (business and residence) of at least one officer or employee responsible for the general management of its operations at its central operations station and each approved sub-operation station.
 - ~~2:~~ Each ambulance service shall give notice, by filing a written statement with the Department, of any change in information required herein within five days from the date of any such change.
- ~~B:~~ Date of transmittal. If a report, record or remittance required by this Article to be filed with or made to the Department is submitted through the United States mail and is not received by the Department until after the date upon which the report, record or remittance was required to be made, and if the envelope bears a United States Postal Service cancellation mark date on or prior to the date set, the Department, upon receipt thereof, will treat the report, record, or remittance as if it had been received on the required date.
- ~~C:~~ Observance of service area.
 - ~~1:~~ No ambulance service shall regularly provide its service within an area other than the service area identified in its Certificate of Necessity.
 - ~~2:~~ An ambulance service may not transport a patient from, or treat a patient at, a point outside the service area specified in its Certificate of Necessity except:
 - ~~a:~~ In life-threatening circumstances to which it is best able to respond,
 - ~~b:~~ If no other approved ambulance service is available for immediate and appropriate response, or
 - ~~e:~~ If in accordance with a mutual aid agreement with the ambulance service in the service area affected.

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- D:** Advertisement. No ambulance service shall advertise itself, allow itself to be advertised, or otherwise hold itself out as providing ambulance services of a type or in a service area different than that specifically granted by the Department. All ambulance services shall observe approved service areas in conducting or allowing any form of advertisement for its service(s).
- E:** Patient pickup location. If an ambulance arrives at a patient pickup location prior to the ambulance that was officially dispatched, or would have been dispatched, the ambulance attendant shall immediately consult the local dispatch system and shall comply with the orders given by the dispatch system.
- F:** Refusal to transport
1. An ambulance service shall not refuse to transport a patient.
 2. An ambulance service shall not divest itself of its services to the public by secret intention to refuse to service certain parties or areas within its service area, or by exercising such action.
- G:** Obedience to traffic laws, ordinances and regulations. The driver of an ambulance, when responding to an emergency call or while transporting a patient on an emergency basis, shall observe all traffic laws, ordinances and regulations and may exercise those special privileges provided in A.R.S. § 28-624.
- H:** Mutual aid. Ambulance services may have a written agreement with one or more neighboring ambulance services for coverage during times when its own ambulances are not available for service in its service area. Such agreement shall specify the respective duties and responsibilities of the parties and be filed with the Department and each of the parties. Ambulance services provided outside the service area, but in accordance with a mutual aid agreement on file with the Department will not violate service area limitations.
- I:** Variances
1. Application for variance. An ambulance service may apply to the Department for a time limited variance from any of the regulations in this Article. Such a variance may be granted if the applicant specifies alternative practices or measures equivalent or superior to those prescribed in the regulation in question and affirmatively substantiates that:
 - a. The rationale for the regulation in question can be met or exceeded by the specified alternative practices or measures.
 - b. The application of the regulation would impose an undue burden upon the applicant or ambulance service.
 - c. Granting the variance will not adversely affect the public health, safety or welfare.
 2. Compliance. Any ambulance service that is granted a time limited variance shall comply with the alternative practices or measures specified in its successful application for the variance.
 3. Renewal, revocation, and reporting.
 - a. A time limited variance will not be renewed or extended.
 - b. A variance may be revoked automatically and without formal notice or hearing at any time, if a material change in the circumstances justifying its granting occurs.
 - c. Any ambulance service that has been granted a variance shall immediately notify the Department of any such material change in circumstances pertinent to its grant of variance.
- J:** Waivers
1. Application for waiver. An ambulance service may apply to the Department for a time limited waiver from any of the regulations in this Article. Such a waiver will be granted if the applicant affirmatively substantiates that:
 - a. The regulation in question does not address a problem of significance to the public in relation to the applicant's ambulance service.
 - b. The application of the regulation would impose an undue burden upon the applicant or the ambulance service.
 - c. Granting a waiver will not adversely affect the public health, safety or welfare.
 2. Renewal, revocation, and reporting
 - a. A time limited waiver may be renewed or extended upon re-application at least 30 days prior to the expiration date.
 - b. A waiver may be revoked automatically and without formal notice or hearing at any time, if a material change in the circumstances justifying its granting occurs.
 - c. Any ambulance service that has been granted a waiver shall immediately notify the Department of any such material change in circumstances pertinent to its grant of a waiver.

NOTICE OF PROPOSED RULEMAKING

TITLE 9. HEALTH SERVICES

**CHAPTER 25. DEPARTMENT OF HEALTH SERVICES
EMERGENCY MEDICAL SERVICES**

PREAMBLE

<u>1. Sections Affected</u>	<u>Rulemaking Action</u>
Article 9	New Article
R9-25-901	New Section
R9-25-902	New Section
R9-25-903	New Section
R9-25-904	New Section
R9-25-905	New Section
R9-25-906	New Section
R9-25-907	New Section
R9-25-908	New Section
R9-25-909	New Section
R9-25-910	New Section
R9-25-911	New Section
R9-25-912	New Section
Article 10	New Article
R9-25-1001	New Section
R9-25-1002	New Section
R9-25-1003	New Section
R9-25-1004	New Section
R9-25-1005	New Section
R9-25-1006	New Section
Article 11	New Article
R9-25-1101	New Section
R9-25-1102	New Section
R9-25-1103	New Section
R9-25-1104	New Section
R9-25-1105	New Section
R9-25-1106	New Section
R9-25-1107	New Section
R9-25-1108	New Section
R9-25-1109	New Section
R9-25-1110	New Section
Article 12	New Article
R9-25-1201	New Section
Exhibit A	New Exhibit
Exhibit B	New Exhibit

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2. The specific authority for the rulemaking, including both the authorizing statute (general) and the statutes the rules are implementing (specific):

Authorizing statute: A.R.S. § 36-2202(A)(4)

Implementing statutes:

A.R.S. § 36-2201(4) for R9-25-1004;
A.R.S. § 36-2202 (A) for R9-25-901;
A.R.S. § 36-2202(A)(5) for R9-25-1002, R9-25-1003, R9-25-1004, and R9-25-1005;
A.R.S. §§ 36-2204, 36-2233, and 36-2236(A) and (B) for R9-25-902;
A.R.S. § 36-2212 for R9-25-1001, R9-25-1005, and R9-25-1006;
A.R.S. § 36-2224 for R9-25-908;
A.R.S. § 36-2232 for R9-25-902, R9-25-907, R9-25-908, R9-25-909, R9-25-910, R9-25-911, R9-25-1001, R9-25-1005, R9-25-1006, R9-25-1101, R9-25-1104, R9-25-1106, R9-25-1107, R9-25-1108, and R9-25-1109;
A.R.S. §36-2232(A)(1)for R9-25-1105;
A.R.S. §36-2232(A)(4) for R9-25-905;
A.R.S. § 36-2233 for R9-25-904, R9-25-906, and R9-25-909;
A.R.S. § 36-2233(B)(2)for R9-25-903;
A.R.S. § 36-2234 for R9-25-1005, R9-25-1102, and R9-25-1110;
A.R.S. § 36-2234(G) and (I) for R9-25-1103;
A.R.S. § 36-2234(K) for R9-25-1104;
A.R.S. § 36-2235 for R9-25-904;
A.R.S. § 36-2237 for R9-25-909;
A.R.S. § 36-2239 for R9-25-1101, R9-25-1102, R9-25-1103, R9-25-1106, R9-25- 1108, and R9-25-1110;
A.R.S. § 36-2239(D)for R9-25-1109;
A.R.S. § 36-2240 for R9-25-902, R9-25-904, R9-25-905, and R9-25-1001;
A.R.S. § 36-2241 for R9-25-910;
A.R.S. §§ 36-2244 and 36-2245 for R9-25-912;
A.R.S. § 36-2246 for R9-25-910; and
A.R.S. §§ 41-1072 through 41-1079 for R9-25-1201

3. A list of all previous notices appearing in the Register addressing the proposed rule:

Notice of Rulemaking Docket Opening: 6 A.A.R. 4046, October 20, 2000

4. The name and address of agency personnel with whom persons may communicate regarding the rulemaking:

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or

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5. An explanation of the rule, including the agency's reasons for initiating the rule:

The proposed rulemaking makes new rules updating and consolidating requirements for ground ambulance service. The current ground ambulance service rules contained in 9 A.A.C. 13 are outdated, do not accurately reflect industry standards, and do not meet rulemaking requirements. The Department proposes to add new Articles dealing specifically with ground ambulance service to Chapter 25. Under separate rulemaking, the Department will repeal the Articles and Sections in Chapter 13 that deal with ground ambulance service.

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9 A.A.C. 25, Article 9 will establish the requirements for the ground ambulance certificate of necessity, which establishes the ground ambulance service area, level of service, type of service, hours of operation, effective date, expiration date, legal name and address of the ground ambulance service, and any limiting special provisions. Individual Sections will list definitions of terms used within the rules; prescribe application procedures for initial Certificate of Necessity, provision of ALS services, transfer of a Certificate of Necessity, renewal of a Certificate of Necessity, and amendment of a Certificate of Necessity; set the Department's criteria for determining public necessity; set the Department's criteria for determining response times, response codes, and response-time tolerances; list allowable exceptions to service area restrictions and transport requirements; set insurance requirements, record and reporting requirements, and advertising; and describe disciplinary action.

9 A.A.C. 25, Article 10 will establish the requirements for ground ambulance vehicle registration. Individual Sections will prescribe initial and renewal application procedures; establish minimum standards for ground ambulance vehicles; identify minimum equipment and supplies for ground ambulance vehicles; prescribe minimum staffing requirements for ground ambulance vehicles; prescribe procedures for ground ambulance vehicle inspection, list major and minor vehicle defects, and identify under what conditions a defective vehicle may continue to be operated; and prescribe ground ambulance vehicle identification.

9 A.A.C. 25, Article 11 will establish the requirements for ground ambulance service rates and charges and contracts. Individual Sections will prescribe application procedures to establish initial rates, to adjust rates, and to provide subscription service and establish a subscription service rate; set standards for ground ambulance service contracts, contract rates, and ranges of rates; identify the Department's considerations in determining a rate of return; identify rate calculation factors; prescribe how a certificate holder shall access rates and charges; prescribe procedures for other patient charges; and set the contents of invoices for rates and charges.

9 A.A.C. 25, Article 12 will establish time-frames for Department approvals of the initial certificate of necessity, provision of ALS services, transfer of a certificate of necessity, renewal of a certificate of necessity, amendment of a certificate of necessity, registration of a ground ambulance vehicle, renewal of a ground ambulance vehicle registration, establishment of initial rates and adjustment of rates, contract rate or range of rates, ground ambulance service contracts, and subscription service rates.

The Department has been working with representatives from urban and rural fire departments, medical facilities, hospitals, ambulance services, academia, and the public to develop these rules. The proposed rules have been accepted by the Medical Director of Emergency Medical Services and the Emergency Medical Services Council. The Department believes that the proposed rulemaking is necessary to ensure that ground ambulance service rules protect the public, accurately reflect industry standards, and meet rulemaking requirements.

6. A reference to any study that the agency proposes to rely on in its evaluation of or justification for the proposed rule and where the public may obtain or review the study, all data underlying each study, any analysis of the study and other supporting material:

Not applicable

7. A showing of good cause why the rule is necessary to promote a statewide interest if the rule will diminish a previous grant of authority of a political subdivision of this state:

Not applicable

8. The preliminary summary of the economic, small business, and consumer impact:

The proposed rulemaking will impact the 83 currently regulated ground ambulance services operating in Arizona. Of these, 20 are private, for-profit businesses, 11 are private, non-profit businesses, and 52 are owned or operated by political subdivisions. Of the 31 private businesses, 24 can be considered small businesses.

The proposed rulemaking incorporates existing requirements and practices already established in rule, current practices of the Department of Health Services Bureau of Emergency Medical Services that are already in place, and new requirements and changes that reflect current industry practices and are supported by stakeholders and approved by the Department's two citizen advisory groups, the Emergency Medical Services Council and the Medical Direction Commission.

The overall economic impact of the rulemaking is expected to be minimal. The retention of requirements and practices already in rule may have little or no direct impact. The impact of any requirements or practices that have been in place and are now proposed to be incorporated in rule will be mitigated to the extent that those affected have already incorporated these requirements and practices into their general operations. New requirements and changes in existing requirements designed to improve public safety and regulatory efficiency may also have a minimal to moderate economic impact.

Specific economic, small business, and consumer impacts of the proposed rules are summarized as follows:

- Proposed rule **R9-25-901** provides a number of new definitions. For example “response time” is defined as well as additional terms required to measure response times. “Owner” and what constitutes ownership is defined. Many other definitions have been added to clarify the proposed rules. Providing specific definitions adds clarity to the regulations benefitting the Department and the providers.
- The procedures for initial application and transfer of a certificate of necessity as proposed under **R9-25-902** provide a detailed list of the specific information required by the Department to approve an application or transfer. The proposed rule requires that an individual requesting a transfer must submit all the information that is required when applying for an initial certificate. A number of items have been added that heretofore were not formalized in rule, but are part of the Department’s current practices. This change benefits the providers of ground ambulance services by clearly specifying in rule what information must be provided to the Department when applying for a certificate of necessity or requesting a transfer. This rule benefits the public by assuring that certificates of necessity and the right to provide ambulance services are not transferred to a provider that is not in compliance with established Departmental standards.
- Proposed rule **R9-25-902** requires that initial applications and requests for transfers of a certificate of necessity include proposed response times, response codes, and response-time tolerances. The proposed rule requires responses to be categorized by codes and scene localities (urban, suburban, rural, or wilderness) and response times calculated for each category. Setting response-time targets and calculating actual response times in this manner will allow situation-specific response-time targets and a true measure of actual response times. The providers and the Department benefit from having well defined response-time targets and an accurate measures of actual response times.
- Proposed rules **R9-25-902** and **R9-25-904** distinguish between an initial application for a certificate of necessity and the renewal of a certificate. The material that must be submitted for a renewal is clearly listed and described. Establishing in rule what specific information is required of certificate holders to renew their certificates, benefits providers by adding clarity to the renewal process.
- Criteria for evaluating public necessity in **R9-25-903** have incorporated the current practices of the Department of Health Services Bureau of Emergency Medical Services. These additional criteria provide direction to the Department in evaluating public need.
- Under proposed rule **R9-25-905** to amend a certificate of necessity, the certificate holder must submit statements explaining the financial and patient care impact associated with the requested change. This proposed rule change establishes as rule the Department’s current practice of requiring providers to identify the impact that requested service changes will have on patient care, cost of services, and revenues.
- **R9-25-906** has revised criteria for determining response times, response codes and response-time tolerances for certificate of necessity holders and in the provision of ALS services. The proposed rules incorporate many more factors that affect ground ambulance response that will result in a more accurate estimate of ground ambulance vehicle response and can be used to calculate more realistic response times for a given certificate of necessity location.
- Proposed rule **R9-25-908** has added exceptions allowing ground ambulance certificate holders to refuse to transport patients in certain situations. These exceptions allow ground ambulance providers to refuse to transport patients in the following situations:
 - If the transport may result in an immediate threat to the ambulance attendant’s safety, as determined by the ambulance attendant, the certificate holder, or medical direction authority;
 - If a patient over the age of 17 refuses to be transported;
 - If the patient is currently in a healthcare institution and the patient’s medical condition requires a level of care that exceeds the scope of practice of the ambulance attendant’s certification; or
 - If the patient is currently in a healthcare institution and does not meet the federal requirements for medically necessary ground ambulance transport.

The first two exceptions will provide safeguards for the provider and the patient. The next two exceptions will allow ground ambulance providers to refuse transport in situations where they are unable to provide the medical services required for safe transport or when transport is unnecessary. This should benefit providers by not subjecting them to the liability associated with transporting individuals with medical conditions that are beyond that which the ambulance provider is equipped to treat or monitor. Because these exceptions apply only when the patient is currently in a healthcare institution they should not have a negative impact on patient care. This policy benefits members of the public by assuring them that the proper level of care is provided to them when they are transported.

- Separate automobile liability and malpractice insurance minimums would be imposed by proposed rule **R9-25-909**. Currently certificate holders are required to carry malpractice and liability insurance coverage totaling \$1,000,000. This proposed rule requires minimum single occurrence automobile liability insurance coverage of \$500,000 and minimum single occurrence malpractice liability insurance of \$500,000. Although the aggregate liability limits have not been increased, automobile and malpractice insurance policies have different prices. To some extent, this cost will be balanced out by the benefit the provider receives from the reduced financial exposure associated with having adequate insurance coverage. The public would benefit from the establishment of separate policy minimums by being assured some measure of adequate coverage in each of the areas of insurance.
- Proposed rule **R9-25-910** requires that providers maintain on their premises detailed dispatch records, financial statements, and related records including any written complaints. Currently providers are required to maintain and submit these records to the Department on a monthly or annual basis. This proposed rule will benefit providers by reducing the costs associated with copying and submitting to the Department dispatch logs and other records. The proposed rule will save the Department the costs associated with receiving, filing and storing provider dispatch logs and other records. The Department will still have access to provider records as allowed in A.R.S. § 36-2241, and will be able to inspect or audit these records as needed.
- Proposed rule **R9-25-911** incorporates a requirement that the certificate holder not direct the circumvention of the use of 9-1-1 or other emergency telephone number in its advertising. This proposed rule is meant to prevent the disruption of the 9-1-1 emergency response system and should provide the public with the fastest response to emergency medical situations.
- In proposed rule **R9-25-912**, the provisions related to disciplinary action have been expanded to provide more flexibility and direction to the Director of the Department of Health Services. The rule allows the Director to suspend, revoke or pursue other disciplinary action if the Director determines that the certificate holder is not fit and proper. In determining the type of disciplinary action, the Director must follow a set of guidelines established in the proposed rules. This policy benefits the public by allowing the Director to discipline providers who do not violate the requirements for disciplinary action listed in the proposed rule, but who exhibits behavior or professional conduct that is determined to be unfit and improper. Because the rule requires the Director to follow a set of guidelines in determining what disciplinary action to take, the providers are reasonably protected against undue suspensions and other disciplinary action and the associated loss of revenue.
- **R9-25-1001**, pertaining to initial and renewal of applications for certificate of registration of ground ambulance vehicles, requires additional information not currently in rules. The proposed rule incorporates many items that are currently required as part of the Department's current practices. The rule itemizes all information needed for a complete and correct application for a certificate of registration
- Proposed rule **R9-25-1002** imposes specific minimum ground ambulance vehicle standards. The rule is similar to the current regulations related to vehicle standards, but it provides additional requirements. Some of these new requirements may be viewed as adding specifics and clarity to the current policy. For instance, as does current policy, the proposed rule requires that an ambulance have a windshield, but the proposed rule further specifies that the windshield be free from unrepaired cracks. Because the proposed vehicle standards are similar to current standards, there should be no impact on a new ambulance. However an ambulance that has been in service for many years could require minor changes.

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- The equipment and supplies that must be carried on ground ambulances are listed in the proposed rule **R9-25-1003**. Currently certificate holders are required to adhere to the equipment and supplies recommended by the American College of Surgeons in “Essential Equipment for Ambulances,” revised June 1981. Much of the equipment and supplies listed in the rule appears to be similar to those listed in the “Essential Equipment for Ambulances.” However, changes have been made in the Department’s itemized list and there may be minimal impacts on providers of ambulance services. An item not currently required, but included in the proposed rule, is non-latex gloves. There would be a minimal economic impact associated with equipping ambulances with non-latex gloves. A certain percentage of the public is latex sensitive and experiences a violent reaction when exposed to latex. Having non-latex gloves available will allow medical professionals to provide an equal level of treatment to members of the public who are latex sensitive.
- Proposed rule **R9-25-1005** establishes vehicle inspection categories, lists what constitutes a vehicle defect, and allows certificate holders several options to meet their inspection requirements. The rule clearly lists what are considered minor vehicle defects, and what are considered as major vehicle defects requiring the ambulance to be taken out-of-service until repaired. New inspection options afforded by the proposed rules allow the certificate holders to request that all their ground ambulances be inspected on the same date and location and allow inspections to be carried out at Department-approved inspection facilities. Establishing in rule, what constitutes a minor defect and a major defect will benefit the providers, the Department, and the public. The providers and the Department are provided with clarity as to what defect requires a repair order or requires the ambulance to be taken out-of-service. This will result in only ambulances that should not be in service being taken out-of-service, which makes for a more cost-effective ambulance service system. This rule will keep ambulances with only minor defects in service while repairs can be made. The provisions of the rule related to ambulance inspections should benefit the providers and the Department by allowing inspections to occur in an efficient and effective manner.
- Proposed rule **R9-25-1006** requires ground ambulances to be marked in a specific manner. Under the rules, ground ambulances must be marked on both sides with the company name in letters that are at least 6 inches in height. This benefits the public by clearly identifying what company is providing ambulance service. To the extent that ambulances do not currently have markings on them that meet the requirements of this rule, there may be a minimal fiscal impact to providers.
- Proposed rules **R9-25-1101, 1102, 1103, and 1104** incorporate into rule the items in the respective application packets that have been required by the Department since 1986. Time-frames are also established for the review of the applications for rates and charges. The incorporation of these elements provides the regulated community with an updated set of rules and provides the Department with a complete and formal set of guidelines.
- **R9-25-1105** requires that providers of subscription service submit those contracts to the Department for review and approval. This proposed rule change formalizes the Department’s current practice of approving provider subscription service programs and rates and may impose no new economic costs.
- In determining allowable ground ambulance rates and charges, proposed rule **R9-25-1106** requires the Department to allow for at least a 7% rate of return on gross revenue. Because Department practice currently allows for at least a 7% rate of return on gross revenue, there may be little effect on providers, and any economic impact on rates and charges may be minimal.
- Proposed rule **R9-25-1107** will permit the Department to set rates to maximize third-party payor reimbursement for ambulance services. This may impose an impact on insurance carriers and consumers, but allow ambulance companies to collect full rates for services. The full impact on third-party payors, consumers, and rates will be investigated.
- Proposed rule **R9-25-1108** will increase the standby waiting rate assessed to a patient by a certificate holder when the ground ambulance vehicle is required to wait in excess of 15 minutes to load or unload a patient. Under current rule, the rate is equivalent to the cost of the ground ambulance vehicle personnel per hour. Under the proposed rule, this rate will likely double from an average of \$40-\$60 to \$100.
- Proposed rule **R9-25-1108** will increase the ALS or BLS base rate assessed to a patient when 2 or more patients are transported in the same ground ambulance vehicle. Under current rule, each patient is assessed 50% of the ALS or BLS base rate. Under the proposed rule, this rate increases to 100%.
- Proposed rule **R9-25-1110** prescribes information to be included on invoices for ground ambulance vehicle charges. The rule incorporates elements that are currently used by the Department, but not yet in rule.

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- Proposed rule **R9-25-1201** establishes time-frames for Department approvals of the initial certificate of necessity, provision of ALS services, transfer of a certificate of necessity, renewal of a certificate of necessity, amendment of a certificate of necessity, registration of a ground ambulance vehicle, renewal of a ground ambulance vehicle registration, establishment of initial rates, adjustment of rates, contract rate or range of rates, ground ambulance service contracts, subscription service rates. The time-frames require the Department to provide written notice at certain stages of the application and approval process. The proposed time-frames will benefit providers of ground ambulance services by providing clarity in the application and approval process and assuring that the Department will process all applications in a fair, consistent, and timely manner. The new time-frames are consistent with the Department's current practice and may have only a minimal impact on providers and the Department.
- Unlike current rule, the proposed rule does not allow certificate holders to apply for waivers and variances. Waivers and variances allowed certificate holders to provider services without adhering to one or more of the Department's regulations. Disallowing waivers and variance will benefit the public by assuring that certificate holders are providing ground ambulance services in compliance with all health and safety regulations.

9. The name and address of agency personnel with whom persons may communicate regarding the accuracy of the economic, small business, and consumer impact statement:

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or

Name: Kathleen Phillips, Rules Administrator
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10. The time, place, and nature of the proceedings for the making, amendment, or repeal of the rule; or, if no proceeding is scheduled, where, when, and how persons may request an oral proceeding on the proposed rule:

The Department has scheduled the following oral proceedings:

Date: December 26, 2000

Time: 9:00 a.m.

Location: Conference Room
Department of Health Services
Bureau of Emergency Medical Services
1651 East Morten, Suite 130
Phoenix, Arizona 85020

Nature: Oral Proceeding

Written comment on the proposed rulemaking or the preliminary economic, small business, and consumer impact summary may be submitted to the individual listed in paragraph 4 or 9 until 12:00 p.m., December 26, 2000, the date scheduled for the close of record.

11. Any other matters prescribed by statute that are applicable to the specific agency or to any specific rule or class of rules:

Not applicable

12. Incorporations by reference and their location in the rules:

None

13. The full text of the rules follows:

TITLE 9. HEALTH SERVICES

**CHAPTER 25. DEPARTMENT OF HEALTH SERVICES
EMERGENCY MEDICAL SERVICES**

ARTICLE 9. GROUND AMBULANCE CERTIFICATE OF NECESSITY

- R9-25-901. Definitions (A.R.S. § 36-2202 (A))
R9-25-902. Application for an Initial Certificate of Necessity; Provision of ALS Services; Transfer of a Certificate of Necessity (A.R.S. §§ 36-2204, 36-2232, 36-2233(B), 36-2236(A) and (B), 36-2240)
R9-25-903. Determining Public Necessity (A.R.S. § 36-2233(B)(2))
R9-25-904. Application for Renewal of a Certificate of Necessity (A.R.S. §§ 36-2233, 36-2235, 36-2240)
R9-25-905. Application to Amend a Certificate of Necessity (A.R.S. §§ 36-2232(A)(4), 36-2240)
R9-25-906. Determining Response Times, Response Codes, and Response-Time Tolerances for Certificates of Necessity and Provision of ALS Services (A.R.S. §§ 36-2232, 36-2233)
R9-25-907. Observance of Service Area; Exceptions (A.R.S. § 36-2232)
R9-25-908. Transport Requirements; Exceptions (A.R.S. §§ 36-2224, 36-2232)
R9-25-909. Certificate of Insurance or Self-Insurance (A.R.S. §§ 36-2232, 36-2233, 36-2237)
R9-25-910. Record and Reporting Requirements (A.R.S. §§ 36-2232, 36-2241, 36-2246)
R9-25-911. Ground Ambulance Service Advertising (A.R.S. § 36-2232)
R9-25-912. Disciplinary Action (A.R.S. §§ 36-2244, 36-2245)

ARTICLE 10. GROUND AMBULANCE VEHICLE REGISTRATION

- R9-25-1001. Initial and Renewal Application for a Certificate of Registration (A.R.S. §§ 36-2212, 36-2232, 36-2240)
R9-25-1002. Minimum Standards for Ground Ambulance Vehicles (A.R.S. § 36-2202(A)(5))
R9-25-1003. Minimum Equipment and Supplies for Ground Ambulance Vehicles (A.R.S. § 36-2202(A)(5))
R9-25-1004. Minimum Staffing Requirements for Ground Ambulance Vehicles (A.R.S. §§ 36-2201(4), 36-2202(A)(5))
R9-25-1005. Ground Ambulance Vehicle Inspection; Major and Minor Defects (A.R.S. §§ 36-2202, 36-2212, 36-2232, 36-2234)
R9-25-1006. Ground Ambulance Service Vehicle Identification (A.R.S. §§ 36-2212, 36-2232)

ARTICLE 11. GROUND AMBULANCE SERVICE RATES AND CHARGES; CONTRACTS

- R9-25-1101. Application to Establish Initial General Public Rates (A.R.S. §§ 36-2232, 36-2239)
R9-25-1102. Application for Adjustment of General Public Rates
R9-25-1103. Application for Contract Rates or Range of Rates Less than General Public Rates (A.R.S. §§ 36-2234(G) and (I), 36-2239)
R9-25-1104. Ground Ambulance Service Contracts (A.R.S. §§ 36-2232, 36-2234(K))
R9-25-1105. Application to Provide Subscription Service and Establish a Subscription Service Rate (A.R.S. § 36-2232(A)(1))
R9-25-1106. Rate of Return Setting Considerations (A.R.S. §§ 36-2232, 36-2239)
R9-25-1107. Rate Calculation Factors (A.R.S. § 36-2232)
R9-25-1108. Implementation of Rates and Charges (A.R.S. §§ 36-2232, 36-2239)
R9-25-1109. Charges (A.R.S. §§ 36-2232, 36-2239(D))
R9-25-1110. Invoices (A.R.S. §§ 36-2234, 36-2239)

ARTICLE 12. TIME-FRAMES FOR DEPARTMENT APPROVALS

- R9-25-1201. Ground Ambulance Time-frames (A.R.S. §§ 41-1072 through 41-1079)
Exhibit A. Ambulance Revenue and Cost Report
Exhibit B. Ambulance Revenue and Cost Report

ARTICLE 9. GROUND AMBULANCE CERTIFICATE OF NECESSITY

R9-25-901. Definitions (A.R.S. § 36-2202 (A))

In addition to the definitions in R9-25-101, the following definitions apply in Articles 9, 10, 11, and 12 unless otherwise specified:

1. "Adjustment" means a modification, correction, or alteration to a rate or charge.
2. "ALS" has the same meaning as in R9-25-101(8).

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3. “ALS base rate” means the monetary amount assessed to a patient according to A.R.S. § 36-2239(F).
4. “Ambulance attendant” has the same meaning as in A.R.S. § 36-2201(4).
5. “Ambulance Revenue and Cost Report” means Exhibit A or Exhibit B, which records and reports the financial activities of an applicant or a certificate holder.
6. “Applicant” means a person applying to the Department for 1 or more of the following:
 - a. An initial certificate of necessity according to R9-25-902;
 - b. An amended a certificate of necessity according to R9-25-905;
 - c. A renewal of a certificate of necessity according to R9-25-904;
 - d. A transfer of a certificate of necessity according to R9-25-902;
 - e. A ground ambulance vehicle registration certificate according to R9-25-1001;
 - f. An establishment of initial general public rates for a ground ambulance service according to R9-25-1101;
 - g. An adjustment in a general public rate for a ground ambulance service according to R9-25-1102;
 - h. An approval of contract rates or range of rates according to R9-25-1103;
 - i. An approval of a ground ambulance service contract according to R9-25-1104;
 - j. An approval of a subscription service, a subscription service rate, or a subscription service contract according to R9-25-1105; or
 - k. Any other change to a certificate of necessity that requires Department approval.
7. “Application packet” means the fee, documents, forms, and additional information the Department requires to be submitted by an applicant or on an applicant’s behalf.
8. “Back-up agreement” means a written arrangement between a certificate holder and a neighboring certificate holder for temporary coverage during limited times when the neighboring certificate holder’s ambulances are not available for service in its service area.
9. “BLS” has the same meaning as in R9-25-101(13).
10. “BLS base rate” means the monetary amount assessed to a patient according to A.R.S. § 36-2239(G).
11. “Certificate holder” means a person to whom the Department issues a certificate of necessity.
12. “Certificate of necessity” has the same meaning as in A.R.S. § 36-2201(8).
13. “Certificate of registration” means an authorization issued by the Department to a certificate holder to operate a ground ambulance vehicle.
14. “Change of ownership” means:
 - a. In the case of ownership by a sole proprietor, 20% or more interest or a beneficial interest is sold or transferred;
 - b. In the case of ownership by a partnership or a private corporation, 20% or more of the stock, interest, or beneficial interest is sold or transferred; or
 - c. The controlling influence changes to the extent that the management and control of the ground ambulance service is significantly altered.
15. “Charge” means the monetary amount assessed to a patient for disposable supplies, medical supplies, medication, and oxygen-related costs.
16. “Chassis” means the part of a ground ambulance vehicle consisting of all base components, including the frame, front and rear suspension, exhaust system, brakes, engine, engine hood or cover, transmission, front and rear axles, front fenders, drive train and shaft, fuel system, engine air intake and filter, accelerator pedal, steering wheel, tires, heating and cooling system, battery, and operating controls and instruments.
17. “Convalescent transport” means a scheduled transport other than an interfacility transport.
18. “Day” means calendar day.
19. “Dispatch” means the direction to a ground ambulance service or vehicle to respond to a call for EMS or transport.
20. “Driver’s compartment” means the part of a ground ambulance vehicle that contains the controls and instruments for operation of the ground ambulance vehicle.
21. “Emergency medical services” or “EMS” has the same meaning as in A.R.S. § 36-2201(14).
22. “EMT” has the same meaning as in R9-25-101(31).
23. “Financial statements” means an applicant’s balance sheet, annual income statement, and annual cash flow statement.
24. “Fit and proper” has the same meaning as in A.R.S. § 36-2201(19).
25. “Frame” means the structural foundation on which a ground ambulance vehicle chassis is constructed.
26. “General public rate” means the monetary amount assessed to a patient by a ground ambulance service for ALS, BLS, mileage, standby waiting, or according to a subscription service contract.
27. “Generally accepted accounting principles” means the conventions, and rules and procedures for accounting, including broad and specific guidelines, established by the Financial Accounting Standards Board.
28. “Goodwill” means the difference between the purchase price of a ground ambulance service and the fair market value of the ground ambulance service’s identifiable net assets.
29. “Gross revenue” means:
 - a. The sum of revenues reported in the Ambulance Revenue and Cost Report Exhibit A, page 2, lines 1, 9, and 20;
or

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- b. The sum of revenues reported in the Ambulance Revenue and Cost Report Exhibit B, page 3, lines 1, 24, 25, and 26.
30. “Ground ambulance service” means an ambulance service that operates on land.
31. “Ground ambulance service contract” means a written agreement between a certificate holder and a person for the provision of ground ambulance service.
32. “Ground ambulance vehicle” means a motor vehicle, defined in A.R.S. § 28-101, specifically designed to transport ambulance attendants and patients on land.
33. “Health care institution” has the same meaning as in A.R.S. § 36-401(A).
34. “Indirect costs” means the cost of providing ground ambulance service that does not include the costs of equipment.
35. “Interfacility transport” means a scheduled transport between 2 health care institutions.
36. “Level of service” means ALS or BLS ground ambulance service, including the type of ambulance attendants used by the ground ambulance service.
37. “Major defect” means a condition that exists on a ground ambulance vehicle that requires the Department or the certificate holder to place the ground ambulance vehicle out-of-service.
38. “Mileage rate” means the monetary amount assessed to a patient for each mile traveled from the point of patient pick-up to the patient’s destination point.
39. “Minor defect” means a condition that exists on a ground ambulance vehicle that is not a major defect.
40. “Needs assessment” means a study or statistical analysis that examines the need for ground ambulance service within a service area or proposed service area that takes into account the current or proposed service area’s medical, fire, and police services.
41. “Owner” means:
- a. An individual, if a sole proprietorship;
 - b. Any 2 of a corporation’s officers and each individual owning 10% or more of the corporate stock, if a corporation;
 - c. The managing partner, if a partnership or limited liability partnership;
 - d. The designated manager, or if no manager is designated, any 2 members of the limited liability company, if a limited liability company;
 - e. The designated representative of a public corporation that has controlling legal or equitable interest and authority in a ground ambulance service;
 - f. The designated representative of a political subdivision that has controlling legal or equitable interest and authority in a ground ambulance service; or
 - g. The designated representative of a government agency that has controlling legal or equitable interest and authority in a ground ambulance service.
42. “Out-of-service” means a ground ambulance vehicle cannot be operated to transport patients.
43. “Patient” means an individual who is sick, injured, or wounded or who requires medical monitoring, medical treatment, or transport.
44. “Patient compartment” means the ground ambulance vehicle body part that holds a patient.
45. “Public necessity” means an identified population needs or requires all or part of the services of a ground ambulance service.
46. “Response code” means the priority assigned to a request for immediate dispatch by a ground ambulance service on the basis of the information available to the certificate holder or the certificate holder’s dispatch authority.
47. “Response time” means the difference between the time a certificate holder is notified that a need exists for immediate dispatch and the time the certificate holder’s first ground ambulance vehicle arrives at the scene. Response time does not include the time required to identify the patient’s need, the scene, and the resources necessary to meet the patient’s need.
48. “Response-time tolerance” means the percentage of actual response times for a response code and scene locality that are compliant with the response time approved by the Department for the response code and scene locality, for any 12-month period.
49. “Rural area” means a geographic region with a population of less than 40,000 residents that is not a suburban area.
50. “Scene” means the location bounded by the patient or closest point to the patient that the ground ambulance vehicle can arrive.
51. “Scene locality” means an urban, suburban, rural, or wilderness area.
52. “Scheduled transport” means to convey a patient at a prearranged time by a ground ambulance vehicle for which an immediate dispatch and response is not necessary.
53. “Service area” means the geographical boundary designated in a certificate of necessity using the criteria in A.R.S. § 36-2233(E).
54. “Settlement” means the difference between the monetary amount Medicare establishes or AHCCCS pays as an allowable rate and a general public rate the ground ambulance service assesses a patient.

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- 55. “Standby waiting rate” means the monetary amount assessed to a patient by a certificate holder when a ground ambulance vehicle is required to wait in excess of 15 minutes to load or unload the patient, unless the excess delay is caused by the ground ambulance vehicle or the ambulance attendants on the ground ambulance vehicle.
- 56. “Suboperation station” has the same meaning as in A.R.S. § 36-2201(25).
- 57. “Subscription service” means the provision of EMS or transport by a certificate holder to a group of individuals within the certificate holder’s service area and the allocation of annual costs among the group of individuals.
- 58. “Subscription service contract” means a written agreement for subscription service.
- 59. “Subscription service rate” means the monetary amount assessed to a person under a subscription service contract.
- 60. “Substandard performance” means a certificate holder’s:
 - a. Noncompliance with A.R.S. Title 36, Chapter 21.1, Articles 1 and 2, or 9 A.A.C. 25, or the terms of the certificate holder’s certificate of necessity, including all decisions and orders issued by the Director to the certificate holder;
 - b. Failure to ensure that an ambulance attendant complies with A.R.S. Title 36, Chapter 21.1, Articles 1 and 2, or 9 A.A.C. 25, for the level of ground ambulance service provided by the certificate holder; or
 - c. Failure to meet the requirements in 9 A.A.C. 25, Article 10.
- 61. “Suburban area” means a geographic region within a 10-mile radius of an urban area that has a population density equal to or greater than 1,000 residents per square mile.
- 62. “Third-party payor” means a person, other than a patient, who is financially responsible for the payment of a patient’s assessed general public rates and charges for EMS or transport provided to the patient by a ground ambulance service.
- 63. “Transfer” means:
 - a. A change of ownership or type of business entity; or
 - b. To move a patient from a ground ambulance vehicle to an air ambulance.
- 64. “Transport” means the conveyance of 1 or more patients in a ground ambulance vehicle from the point of patient pick-up to the patient’s initial destination.
- 65. “Type of ground ambulance service” means an interfacility transport, a convalescent transport, or a transport that requires an immediate response.
- 66. “Urban area” means a geographic region delineated as an urbanized area by the Bureau of the Census.
- 67. “Wilderness area” means a geographic region that has a population density of less than 1 resident per square mile.

R9-25-902. Application for an Initial Certificate of Necessity; Provision of ALS Services; Transfer of a Certificate of Necessity (A.R.S. §§ 36-2204, 36-2232, 36-2233(B), 36-2236(A) and (B), 36-2240)

- A.** An applicant for an initial certificate of necessity shall submit to the Department an application packet that includes:
- 1.** An application form that contains:
 - a. The legal business or corporate name, address, telephone number, and facsimile number of the ground ambulance service;
 - b. The name, title, address, and telephone number of the following:
 - i. Each owner and individual responsible for managing the ground ambulance service;
 - ii. The business representative or designated manager;
 - iii. The individual to contact to access the ground ambulance service’s records required in R9-25-910; and
 - iv. The statutory agent for the ground ambulance service, if applicable;
 - c. The name, address, and telephone number of the base hospital or centralized medical direction communications center for the ground ambulance service;
 - d. The address and telephone number of the ground ambulance service’s dispatch center;
 - e. The address and telephone number of each suboperation station located within the proposed service area;
 - f. Whether the ground ambulance service is a corporation, partnership, sole proprietorship, limited liability corporation, or other;
 - g. Whether the business entity is proprietary, non-profit, or governmental;
 - h. A description of the communication equipment to be used in each ground ambulance vehicle and suboperation station;
 - i. The make and year of each ground ambulance vehicle to be used by the ground ambulance service;
 - j. The number of ambulance attendants and the type of licensure, certification, or registration for each attendant;
 - k. The proposed hours of operation for the ground ambulance service;
 - l. The type of ground ambulance service;
 - m. The level of ground ambulance service;
 - n. Acknowledgment that the applicant:
 - i. Is requesting to operate ground ambulance vehicles and a ground ambulance service in this state;
 - ii. Has received a copy of 9 A.A.C. 25 and A.R.S. Title 36, Chapter 21.1; and

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2. \$50 application filing fee for a transfer of a certificate of necessity.

E. The Department shall approve or deny an application under this Section according to 9 A.A.C. 25, Article 12.

R9-25-903. Determining Public Necessity (A.R.S. § 36-2233(B)(2))

A. In determining public necessity for an initial or amended certificate of necessity, the Director shall consider the following:

1. The response times, response codes, and response-time tolerances proposed by the applicant for the service area;
2. The service area's population demographics;
3. The geographic distribution of health care institutions within and surrounding the service area;
4. Whether issuing a certificate of necessity to more than one ambulance service within the same service area is in the public's best interest, based on:
 - a. The existence of ground ambulance service to all or part of the service area;
 - b. The response times of and response-time tolerances for ground ambulance service to all or part of the service area;
 - c. The availability of certificate holders in all or part of the service area; and
 - d. The availability of emergency medical services in all or part of the service area;
5. The information in R9-25-902(A)(1) and (A)(2); and
6. Other matters determined by the Director or the applicant to be relevant to the determination of public necessity.

B. In deciding whether to issue a certificate of necessity to more than 1 ground ambulance service for convalescent or inter-facility transport for the same service area or overlapping service areas, the Director shall consider the following:

1. The factors in subsection (A)(2), (3), (4)(a), (4)(c), (4)(d), (5), and (6);
2. The financial impact on certificate holders whose service area includes all or part of the service area in the requested certificate of necessity;
3. The need for additional convalescent or interfacility transport; and
4. Whether a certificate holder for the service area has demonstrated substandard performance.

C. In deciding whether to issue a certificate of necessity to more than 1 ground ambulance service for a 9-1-1 or similarly dispatched transport within the same service area or overlapping service areas, the Director shall consider the following:

1. The factors in subsections (A), (B)(2), and (B)(4);
2. The difference between the response times in the service area and proposed response times by the applicant;
3. A needs assessment adopted by a political subdivision, if any; and
4. A needs assessment, referenced in A.R.S. § 36-2210, adopted by a local emergency medical services coordinating system, if any.

R9-25-904. Application for Renewal of a Certificate of Necessity (A.R.S. §§ 36-2233, 36-2235, 36-2240)

A. An applicant for a renewal of a certificate of necessity shall submit to the Department, not less than 60 days before the expiration date of the certificate of necessity, an application packet that includes:

1. An application form that contains the information in R9-25-902(A)(1)(a) through (A)(1)(m) and the signature of the applicant;
2. Proof of continuous insurance coverage or a statement of continuing self-insurance, including a copy of the current certificate of insurance or current statement of self-insurance required in R9-25-909;
3. Proof of continued coverage by a surety bond if required under A.R.S. §§ 36-2237(B);
4. A copy of the list of current charges required in R9-25-1109;
5. An affirmation that the certificate holder has and is continuing to meet the conditions of the certificate of necessity, including assessing only those rates and charges approved and set by the Director; and
6. \$50 application filing fee.

B. A certificate holder who fails to file a timely application for renewal of the certificate of necessity according to A.R.S. § 36-2235 and this Section, shall cease operations at 12:01 a.m. on the date the certificate of necessity expires.

C. To commence operations after failing to file a timely renewal application, a person shall file an initial certificate of necessity application according to R9-25-902 and meet all the requirements for an initial certificate of necessity.

D. The Department shall approve or deny an application under this Section according to 9 A.A.C. 25, Article 12.

R9-25-905. Application to Amend a Certificate of Necessity (A.R.S. §§ 36-2232(A)(4), 36-2240)

A. A certificate holder that wants to amend its certificate of necessity shall submit to the Department the application form in R9-25-902(A)(1) and an application filing fee of \$50 for changes in:

1. The legal name of the ground ambulance service;
2. The legal address of the ground ambulance service;
3. The level of ground ambulance service;
4. The type of ground ambulance service;
5. The service area; or
6. The response times, response codes, or response-time tolerances.

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- B.** In addition to the application form in subsection (A), an amending certificate holder shall submit:
1. For the addition of ALS ground ambulance service, the information required in R9-25-902(B)(1) and (B)(2).
 2. For a change in the service area, the information required in R9-25-902(A)(3)(a):
 3. For a change in response times, the information required in subsection R9-25-902(A)(2)(d):
 4. A statement explaining the financial impact and impact on patient care anticipated by the proposed amendment;
 5. Any other information or documents requested by the Director to clarify incomplete or ambiguous information or documents; and
 6. Any documents, exhibits, or statements that the amending certificate holder wishes to submit to assist the Director in evaluating the proposed amendment.
- C.** The Department shall approve or deny an application under this Section according to 9 A.A.C. 25, Article 12.

R9-25-906. Determining Response Times, Response Codes, and Response-Time Tolerances for Certificates of Necessity and Provision of ALS Services (A.R.S. §§ 36-2232, 36-2233)

In determining response times, response codes, and response-time tolerances for all or part of a service area, the Director may consider the following:

1. Differences in scene locality, if applicable;
2. Requirements of a 9-1-1 or similar dispatch system for all or part of the service area;
3. Requirements in a contract approved by the Department between a ground ambulance service and a political subdivision;
4. Medical prioritization for the dispatch of a ground ambulance vehicle according to procedures established by the certificate holder's medical direction authority; and
5. Other matters determined by the Director to be relevant to the measurement of response times, response codes, and response-time tolerances.

R9-25-907. Observance of Service Area; Exceptions (A.R.S. § 36-2232)

A certificate holder shall not provide EMS or transport within an area other than the service area identified in the certificate holder's certificate of necessity except:

1. When authorized by a service area's dispatch, before the service area's ground ambulance vehicle arrives at the scene; or
2. According to a back-up agreement.

R9-25-908. Transport Requirements; Exceptions (A.R.S. §§ 36-2224, 36-2232)

A certificate holder shall transport a patient except:

1. As limited by A.R.S. § 36-2224;
2. If the patient is in a health care institution and the patient's medical condition requires a level of care or monitoring during transport that exceeds the scope of practice of the ambulance attendants' certification;
3. If the transport may result in an immediate threat to the ambulance attendant's safety, as determined by the ambulance attendant, certificate holder, or medical direction authority;
4. If the patient is more than 17 years old and refuses to be transported; or
5. If the patient is in a health care institution and does not meet the federal requirements for medically necessary ground vehicle ambulance transport as identified in 42 CFR 410.40.

R9-25-909. Certificate of Insurance or Self-Insurance (A.R.S. §§ 36-2232, 36-2233, 36-2237)

A. A certificate holder shall:

1. Maintain with an insurance company authorized to transact business in this state:
 - a. A minimum single occurrence automobile liability insurance coverage of \$500,000 for ground ambulance vehicles; and
 - b. A minimum single occurrence malpractice or professional liability insurance coverage of \$500,000; or
2. Be self-insured for the amounts in subsection (A)(1).

B. A certificate holder shall submit to the Department:

1. A copy of the certificate of insurance; or
2. Documentation of self-insurance.

C. A certificate holder shall submit a copy of the certificate of insurance to the Department no later than 5 days after the date of issuance of:

1. A renewal of the insurance policy; or
2. A change in insurance coverage or insurance company.

R9-25-910. Record and Reporting Requirements (A.R.S. §§ 36-2232, 36-2241, 36-2246)

A. A certificate holder shall submit to the Department, no later than 180 days after the certificate holder's fiscal year end, the appropriate Ambulance Revenue and Cost Report.

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- B.** According to A.R.S. § 36-2241, a certificate holder shall maintain the following records for the Department's review and inspection:
1. The certificate holder's financial statements;
 2. Federal and state income tax records;
 3. Employee-related expense reports and payroll records;
 4. All bank statements and documents verifying reconciliation;
 5. All documents establishing the depreciation of assets, such as schedules or accounting records on ground ambulance vehicles, equipment, office furniture, and other plant and equipment assets subject to depreciation;
 6. All first care forms required in R9-25-514 and R9-25-615;
 7. All patient billing and reimbursement records;
 8. All dispatch records, including the following:
 - a. The name of the ground ambulance service;
 - b. The month of the record;
 - c. The date of each transport;
 - d. The number assigned to the ground ambulance vehicle by the certificate holder;
 - e. Names of the ambulance attendants;
 - f. The scene;
 - g. The actual response time;
 - h. The response code;
 - i. The scene locality;
 - j. Whether the scene to which the ground ambulance vehicle is dispatched is outside of the certificate holder's service area; and
 - k. Whether the dispatch is a scheduled transport;
 9. All ground ambulance service back-up agreements, contracts, grants, and financial assistance records related to ground ambulance vehicles, EMS, and transport;
 10. All written ground ambulance service complaints; and
 11. Information about destroyed or otherwise irretrievable records in a file including:
 - a. A list of each record destroyed or otherwise irretrievable;
 - b. A description of the circumstances under which each record became destroyed or otherwise irretrievable; and
 - c. The date each record was destroyed or became otherwise irretrievable.

R9-25-911. Ground Ambulance Service Advertising (A.R.S. § 36-2232)

- A.** A certificate holder shall not advertise that it provides a type or level of ground ambulance service or operates in a service area different from that granted in the certificate of necessity.
- B.** When advertising, a certificate holder shall not direct the circumvention of the use of 9-1-1 or another similarly designated emergency telephone number.

R9-25-912. Disciplinary Action (A.R.S. §§ 36-2244, 36-2245)

- A.** After notice and opportunity to be heard is given according to the procedures in A.R.S. Title 41, Chapter 6, Article 10, a certificate of necessity may be suspended, revoked, or other disciplinary action taken for the following reasons:
1. The certificate holder has:
 - a. Demonstrated substandard performance; or
 - b. Been determined not to be fit and proper by the Director;
 2. The certificate holder has provided false information or documents:
 - a. On an application for a certificate of necessity;
 - b. Regarding any matter relating to its ground ambulance vehicles or ground ambulance service; or
 - c. To a patient, third-party payor, or other person or entity billed for service; or
 3. The certificate holder has failed to:
 - a. Comply with the applicable requirements of A.R.S. Title 36, Chapter 21.1, Articles 1 and 2 or 9 A.A.C. 25; or
 - b. Comply with any term of its certificate of necessity or any rates and charges schedule filed by the certificate holder and approved by the Department.
- B.** In determining the type of disciplinary action to impose under A.R.S. § 36-2245, the Director shall consider:
1. The severity of the violation relative to public health and safety;
 2. The number of violations relative to the annual transport volume of the certificate holder;
 3. The nature and circumstances of the violation;
 4. Whether the violation was corrected, the manner of correction, and the time-frame involved; and
 5. The impact of the penalty or assessment on the provision of ground ambulance service in the certificate holder's service area.

ARTICLE 10. GROUND AMBULANCE VEHICLE REGISTRATION

R9-25-1001. Initial and Renewal Application for a Certificate of Registration (A.R.S. §§ 36-2212, 36-2232, 36-2240)

- A.** A person applying for an initial or renewal certificate of registration of a ground ambulance vehicle shall submit an application form to the Department that contains:
1. The applicant's legal business or corporate name;
 2. The applicant's mailing address, physical address of the business, and business, facsimile, and emergency telephone numbers;
 3. The identifying information of the ground ambulance vehicle, including:
 - a. The make of the ground ambulance vehicle;
 - b. The ground ambulance vehicle manufacture year;
 - c. The ground ambulance vehicle identification number;
 - d. The unit number of the ground ambulance vehicle;
 - e. The ground ambulance vehicle's state license number; and
 - f. The location at which the ground ambulance vehicle will be available for inspection.
 4. The identification number of the certificate of necessity to which the ground ambulance vehicle is registered;
 5. The name and telephone number of the person to contact to arrange for inspection, if the inspection is pre-announced; and
 6. The signature of the ground ambulance service's owner or owner's designated representative;
- B.** Under A.R.S. § 36-2232(A)(11), the Department shall inspect each ambulance before an initial certificate of registration is issued by the Department.
- C.** Under A.R.S. § 36-2232(A)(11), the Department shall either inspect an ambulance or receive an inspection report that meets the requirements in this Article by a Department-approved inspection facility before a renewal certificate of registration is issued by the Department.
- D.** An applicant shall submit the following fees:
1. \$50 application filing fee for an initial certificate of registration;
 2. \$200 annual regulatory fee for each ground ambulance vehicle issued a certificate of registration; and
 3. \$50 application filing fee for the renewal of a certificate of registration.
- E.** The Department shall approve or deny an application under this Section according to 9 A.A.C. 25, Article 12.

R9-25-1002. Minimum Standards for Ground Ambulance Vehicles (A.R.S. § 36-2202(A)(5))

An applicant for a certificate of registration or certificate holder shall ensure a ground ambulance vehicle is equipped with the following:

1. An engine intake air cleaner that meets the ground ambulance vehicle manufacturer's engine specifications;
2. A brake system that meets the requirements in A.R.S. § 28-952;
3. A cooling system in the engine compartment that maintains the engine temperature operating range required to prevent damage to the ground ambulance vehicle engine;
4. A battery:
 - a. With no leaks, corrosion, or other visible defects; and
 - b. As measured by a voltage meter, capable of generating:
 - i. 12.6 volts at rest; and
 - ii. 13.2 to 14.2 volts on high idle with all electrical equipment turned on;
5. A wiring system in the engine compartment designed to prevent the wire from being cut by or tangled in the engine or hood;
6. An electrical system capable of maintaining a positive charge while the ground ambulance vehicle is stationary and operating at high idle with headlights, running lights, patient compartment lights, environmental systems, and all warning devices turned on;
7. An exhaust pipe, muffler, and tailpipe under the ground ambulance vehicle and attached to the chassis;
8. Frame capable of supporting the gross vehicle weight of the ground ambulance vehicle;
9. A horn that meets the requirements in A.R.S. § 28-954(A);
10. A siren that meets the requirements in A.R.S. § 28-954(E);
11. A front bumper that is positioned at the forward-most part of the ground ambulance vehicle extending to the ground ambulance vehicle's outer edges;
12. A fuel cap of a type specified by the manufacturer for each fuel tank;
13. A steering system to include:
 - a. Power-steering belts free from frays, cracks, or slippage;
 - b. Power-steering that is free from leaks;
 - c. Fluid in the power-steering system that fills the reservoir between the full level and the add level indicator on the dipstick; and

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- d. Bracing extending from the center of the steering wheel to the steering wheel ring that is not cracked;
- 14. Front and rear shock absorbers that are free from leaks;
- 15. Tires on each axle of equal size, equal ply ratings, and equal type;
- 16. An air cooling system capable of achieving and maintaining a 20°F difference between the air intake and the cool air outlet;
- 17. Air cooling and heater hoses secured in all areas of the ground ambulance vehicle and chassis to prevent wear due to vibration;
- 18. Body free of damage or rust that interferes with the physical operation of the ground ambulance vehicle or creates a hole in the driver's compartment or the patient compartment;
- 19. Windshield defrosting and defogging equipment;
- 20. Emergency warning lights that provide 360° conspicuity;
- 21. At least one 5 lb. ABC dry, chemical, multi-purpose fire extinguisher in a quick release bracket with a current inspection tag;
- 22. A heating system capable of achieving and maintaining a temperature of not less than 68° F in the patient compartment within 30 minutes;
- 23. Sides of the ground ambulance vehicle insulated and sealed to prevent dust, dirt, water, carbon monoxide, and gas fumes from entering the interior of the patient compartment and to reduce noise;
- 24. Padding over exit areas from and sharp edges in the patient compartment;
- 25. Secured interior equipment and other objects;
- 26. When present, hangers or supports for equipment mounted not to protrude more than 2 inches when not in use;
- 27. Functional lamps and signals, including:
 - a. Bright and dim headlamps,
 - b. Brake lamps,
 - c. Parking lamps,
 - d. Backup lamps,
 - e. Tail lamps,
 - f. Turn signal lamps,
 - g. Side marker lamps,
 - h. Hazard lamps,
 - i. Patient loading door lamps and side spot lamps,
 - j. Spot lamp in the driver's compartment and within reach of the ambulance attendant, and
 - k. Patient compartment interior lamps;
- 28. Side-mounted rear vision mirrors and wide vision mirror mounted on, or attached to, the side-mounted rear vision mirrors;
- 29. A patient loading door that permits the safe loading and unloading of a patient occupying a stretcher in a supine position;
- 30. Functional open door securing devices on a patient loading door;
- 31. Patient compartment upholstery free of cuts or tears and capable of being disinfected;
- 32. A seat belt installed for each seat in the driver's compartment;
- 33. Belts or devices installed on a stretcher to be used to secure a patient;
- 34. A seat belt installed for each seat in the patient compartment;
- 35. A crash stable side or center mounting fastener of the quick release type to secure the stretcher to a ground ambulance vehicle;
- 36. Windshield and windows free of obstruction;
- 37. A windshield free from unrepaired starred cracks and line cracks that extend more than 1 inch from the bottom and sides of the windshield or that extend more than 2 inches from the top of the windshield;
- 38. A windshield-washer system that applies enough cleaning solution to clear the windshield;
- 39. Operable windshield wipers with a minimum of 2 speeds;
- 40. Functional hood latch for the engine compartment;
- 41. Fuel system with fuel tanks and lines that meets manufacturer's specifications;
- 42. Suspension system that meets the ground ambulance vehicle manufacturer's specifications;
- 43. Instrument panel that meets the ground ambulance vehicle manufacturer's specifications; and
- 44. Wheels that meet and are mounted according to manufacturer's specifications.

R9-25-1003. Minimum Equipment and Supplies For Ground Ambulance Vehicles (A.R.S. § 36-2202(A)(5))

- A.** A ground ambulance vehicle shall contain the following operational equipment and supplies:
- 1. A portable and a fixed suction apparatus;
 - 2. Wide-bore tubing, a rigid pharyngeal curved suction tip, and a flexible suction catheter in each of the following French sizes: 5, 10, and 14;

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3. One fixed and 1 portable oxygen cylinders, each with a variable flow regulator;
 4. Oxygen administration equipment including: tubing, 2 adult-size and 2 pediatric-size non-rebreather masks, and 2 adult-size and 2 pediatric-size nasal cannula;
 5. One adult-size, 1 child-size, and 1 infant-size hand-operated, disposable, self-expanding bag-valve with 1 of each size bag-valve mask;
 6. Two adult-size, 2 child-size, and 2 infant-size oropharyngeal airways;
 7. Two cervical immobilization devices;
 8. Two upper and 2 lower extremities splints;
 9. One traction splint;
 10. Two full-length spine boards;
 11. Supplies to secure a patient to a spine board;
 12. One cervical-thoracic spinal immobilization device for extrication;
 13. Two sterile burn sheets;”
 14. Two triangular bandages;
 15. Two sterile multi-trauma dressings, 10” x 30” or larger;
 16. Four abdomen bandages, 5” x 7” or larger;
 17. Fifty non-sterile 4” x 4” gauze sponges;
 18. Ten non-sterile soft roller bandages, 4” or larger;
 19. Four non-sterile elastic roller bandages, 4” or larger;
 20. Four sterile occlusive dressings, 3” x 8” or larger;
 21. Two 2” or 3” adhesive tape rolls;
 22. A sterile obstetrical kit containing towels, 4” x 4” dressing, scissors, bulb suction, and clamps or tape for cord;
 23. One child-size, 1 adult-size, and 1 large adult-size sphygmomanometer;
 24. One stethoscope;
 25. One heavy duty scissors capable of cutting clothing, belts, or boots;
 26. Two blankets;
 27. Two sheets;
 28. Infection control materials, including 2 pairs of protective gloves, 2 gowns, 2 masks, 2 pairs of shoe coverings, 2 filtration masks, and 2 sets of protective eye wear; and
 29. At least 3 pairs of non-latex gloves.
- B.** In addition to the equipment and supplies in subsection (A), a ground ambulance vehicle equipped to provide ALS shall contain the drug box required in R9-25-803 and the following:
1. One of each of the following types of intravenous solution administration sets:
 - a. A set with blood tubing;
 - b. A set capable of delivering 60 drops per cc; and
 - c. A set capable of delivering 10 or 15 drops per cc;
 2. Intravenous catheters of various sizes;
 3. Venous tourniquet;
 4. One endotracheal tube in each size from 3.0 mm to 9.0 mm;
 5. One laryngoscope with 1 adult and 1 child blade;
 6. One McGill forceps;
 7. One scalpel;
 8. One monitor defibrillator with paper;
 9. Defibrillator pads or paddles, adult and pediatric;
 10. Electrocardiogram leads;
 11. Electrodes; and
 12. One blood glucose testing kit.
- C.** A ground ambulance vehicle shall be equipped to provide, and capable of providing, voice communication between:
1. The ambulance attendant and the dispatch center,
 2. The ambulance attendant and the ground ambulance service’s assigned medical direction authority, and
 3. The ambulance attendant in the patient compartment and the ground ambulance service’s assigned medical direction authority.

R9-25-1004. Minimum Staffing Requirements for Ground Ambulance Vehicles (A.R.S. §§ 36-2201(4), 36-2202(A)(5))

When transporting a patient, a ground ambulance service shall staff a ground ambulance vehicle according to A.R.S. § 36-2202(I).

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R9-25-1005. Ground Ambulance Vehicle Inspection; Major and Minor Defects (A.R.S. §§ 36-2202, 36-2212, 36-2232, 36-2234)

- A.** A certificate holder shall make the ground ambulance vehicle, equipment, and supplies available for inspection at the request of the Director or the Director's authorized representative.
- B.** If inspected by the Department, a certificate holder shall allow the Director or the Director's authorized representative to ride in or operate the ground ambulance vehicle being inspected.
- C.** A certificate holder may request the Department to inspect all of the certificate holder's ground ambulance vehicles at the same date and location.
- D.** A Department-approved inspection facility may inspect a ground ambulance vehicle under A.R.S. § 36-2232(A)(11).
- E.** The Department classifies defects on a ground ambulance vehicle as major or minor as follows:

<u>INSPECTION ITEM</u>	<u>MAJOR DEFECT</u>	<u>MINOR DEFECT</u>
<u>LAMPS:</u>		
<u>Emergency warning lights</u>	<u>Lack of 360° of conspicuity</u>	<u>Cracked, broken, or missing lens</u> <u>Inoperative lamps</u>
<u>Back-up lamps</u>		<u>Inoperative</u> <u>Cracked, broken, or missing lens</u>
<u>Brake lamps</u>	<u>Both inoperative</u>	<u>1 inoperative</u>
<u>Hazard lamps</u>		<u>Inoperative</u>
<u>Head lamps</u>	<u>Inoperative</u>	<u>High beam inoperative</u> <u>Low beam inoperative</u> <u>Inoperative dimmer switch</u>
<u>Loading lamps</u>		<u>Inoperative</u> <u>Cracked, broken, or missing lens</u>
<u>Parking lamps</u>		<u>Inoperative</u>
<u>Patient Compartment interior lamps</u>	<u>All lamps inoperative</u>	<u>Inoperative individual lamps</u> <u>Missing lens</u>
<u>Side marker lamps</u>		<u>Inoperative</u> <u>Cracked, broken, or missing lens</u>
<u>Spot lamp in driver's compartment</u>		<u>Inoperative</u>
<u>Tail lamps</u>	<u>Both inoperative</u>	<u>1 inoperative</u> <u>Cracked, broken, or missing lens</u>
<u>Turn signal lamps</u>		<u>Any turn signal lamp inoperative</u> <u>Cracked, broken, or missing lens</u>
<u>MECHANICAL, STRUCTURAL, ELECTRICAL:</u>		
<u>Bumpers</u>		<u>Loose or missing bumper</u>
<u>Defroster</u>		<u>Inoperative</u> <u>Ventilation system openings partially blocked</u>
<u>Electrical system</u>	<u>Does not comply with R9-25-1002(6)</u>	
<u>Engine compartment</u>		<u>Inoperative hood latch</u> <u>Deterioration of hoses, belts, or wiring</u> <u>Deterioration of battery hold-down clamps</u> <u>Corrosive acid buildup on battery terminals</u>
<u>Engine compartment wiring system</u>		<u>Does not comply with R9-25-1002(5)</u>

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<u>Engine cooling system</u>	<u>Does not comply with R9-25-1002(3)</u>	<u>Leaks in system</u>
<u>Engine intake air cleaner</u>		<u>Does not comply with R9-25-1002(1)</u>
<u>Exhaust</u>	<u>Exhaust fumes in the patient or driver compartment</u>	<u>Exhaust pipe brackets not attached to the chassis and tailpipe</u> <u>End of tailpipe pinched or bent</u>
<u>Frame</u>	<u>Cracks in frame</u>	
<u>Fuel system</u>	<u>Fuel tanks mounted according to manufacturer's specifications</u> <u>Fuel tank brackets cracked or broken</u> <u>Leaking fuel tanks or fuel lines</u> <u>Fuel caps missing or of a type not specified by the manufacturer</u>	
<u>Ground ambulance vehicle body</u>	<u>Damage or rust to the exterior of the ground ambulance vehicle, which interferes with the operation of the ground ambulance vehicle</u> <u>Damage resulting in a hole in the driver's compartment or the patient compartment</u> <u>Holes that may allow exhaust or dust to enter the patient compartment</u> <u>Bolts attaching body to chassis loose, broken, or missing</u>	<u>Damage resulting in cuts or rips to the exterior of the ground ambulance vehicle</u>
<u>Heating and air conditioning systems</u>		<u>Unsecured hoses</u> <u>Does not maintain minimum temperature required in R9-25-1002(22) and 1002(16)</u>
<u>Horn</u>		<u>Inoperative</u>
<u>Parking brake</u>		<u>Inoperative</u>
<u>Siren</u>	<u>Inoperative</u>	
<u>Steering</u>	<u>Steering wheel bracing cracked</u> <u>Inoperative</u>	<u>Power steering belts slipping</u> <u>Power steering belts cracked or frayed</u> <u>Fluid leaks</u> <u>Fluid does not fill the reservoir between the full level and the add level indicator on the dipstick</u>
<u>Suspension</u>	<u>Broken suspension parts</u> <u>U-bolts loose or missing</u>	<u>Bent suspension parts</u> <u>Leaking shock absorbers</u> <u>Cracks or breaks in shock absorber mounting brackets</u>
<u>Vehicle brakes</u>	<u>Inoperative</u>	<u>Fluid leaks</u>
<u>INTERIOR:</u>		
<u>Communication equipment</u>	<u>Lack of operative communication equipment</u>	<u>Inoperative communication equipment in the patient compartment</u>
<u>Edges</u>		<u>Presence of exposed sharp edges</u>
<u>Equipment</u>	<u>Inability to secure oxygen tanks</u>	<u>Inability to secure other equipment</u>
<u>Fire extinguisher</u>	<u>Absent</u>	<u>Not at full charge</u> <u>Expired inspection tag</u>
<u>Hangers</u>		<u>Supports or hangers protruding more than 2" when not in use</u>

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<u>Instrument panel</u>		<u>Inoperative gauges, switches, or illumination</u>
<u>Padding</u>		<u>Missing padding over exits in the patient compartment</u>
<u>Patient compartment</u>	<u>Visible blood, body fluids, or tissue</u>	<u>Unrepaired Cuts or holes in seats</u> <u>Missing pieces of floor covering</u>
<u>Seat belts and securing belts</u>	<u>Absence of seat belt or inoperative seat belt in the driver's compartment</u> <u>More than 1 inoperative seat belt in the patient compartment</u> <u>Absence of securing belts on the stretcher</u>	<u>Frayed seat belt or securing belt material</u> <u>One inoperative seat belts in the patient compartment</u>
<u>Stretcher fastener</u>	<u>Does not comply with R9-25-1002(35)</u>	
EXTERIOR:		
<u>Patient compartment doors</u>	<u>Completely or partially missing window panel</u>	<u>Inoperative open door securing devices</u> <u>Cracked window panels</u>
<u>Marking</u>		<u>Missing company identification</u> <u>Incorrect size or location</u>
<u>Mirrors</u>	<u>Exterior rear vision or wide vision mirrors missing</u>	<u>Cracked mirror glass</u> <u>Loose mounting bracket bolts or screws</u> <u>Broken mirrors</u> <u>Loose or broken mounting brackets</u> <u>Missing mounting bracket bolts or screws</u>
<u>Tires</u>	<u>Tires on each axle are not of equal size, equal ply ratings, and equal type;</u> <u>Bumps, knots, or bulges on any tire</u> <u>Exposed ply or belting on any tire</u> <u>Flat tire on any wheel</u>	<u>Tread groove depth less than 4/32" measured in a tread groove on any tire</u>
<u>Wheels</u>	<u>Loose or missing lug nuts</u> <u>Broken LUGS</u> <u>Cracked or bent rims</u>	
<u>Windows</u>		<u>Placement of nontransparent materials which obstruct view</u> <u>Cracked or broken</u>
<u>Windshield</u>	<u>Windshield that is obstructed</u> <u>Placement of nontransparent materials which obstruct view</u>	<u>Unrepaired starred cracks or line cracks extending more 1 inch from the bottom or side of the windshield</u> <u>Unrepaired starred cracks or line cracks extending more than 2 inches from the top of the windshield</u>
<u>Windshield- washer system</u>		<u>Does not comply with R9-25-1002(38)</u>
<u>Windshield wipers</u>	<u>Inoperative wiper on driver's side</u>	<u>Inoperative speed control</u> <u>Split or cracked wiper blade</u> <u>Inoperative wiper on passenger's side</u>

- F.** If the Department determines that there is a major defect on the ground ambulance vehicle after inspection, the certificate holder shall take the ground ambulance vehicle out-of-service until the defect is corrected.
- G.** If the Department finds a minor defect on the ground ambulance vehicle after inspection, the ground ambulance vehicle may be operated to transport patients for up to 15 days until the minor defect is corrected.

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1. The Department may grant an extension of time to repair the minor defect upon a written request from the certificate holder detailing the reasons for the need of an extension of time.
2. If the minor defect is not repaired within the time prescribed by the Department, and an extension has not been granted, the certificate holder shall take the ground ambulance vehicle out-of-service until the minor defect is corrected.

H. Within 15 days of the date of repair of the major or minor defect, the certificate holder shall submit written notice of the repair to the Department.

R9-25-1006. Ground Ambulance Vehicle Identification (A.R.S. §§ 36-2212, 36-2232)

- A.** A ground ambulance vehicle shall be marked on its sides with the certificate of registration applicant's legal business or corporate name with letters not less than 6 inches in height.
- B.** A ground ambulance vehicle marked with a level of ground ambulance service shall be equipped and staffed to provide the level of ground ambulance service identified while in service.

ARTICLE 11. GROUND AMBULANCE SERVICE GENERAL PUBLIC RATES AND CHARGES; CONTRACTS

R9-25-1101. Application to Establish Initial General Public Rates (A.R.S. §§ 36-2232, 36-2239)

- A.** An applicant for a certificate of necessity or a certificate holder applying for initial general public rates shall submit an application packet to the Department that includes:
1. The applicant's name;
 2. The requested general public rates;
 3. A copy of the applicant's most recent financial statements or an Ambulance Revenue and Cost Report;
 4. For a consecutive 12-month period:
 - a. A projected income statement; and
 - b. A projected cash-flow statement;
 5. A list of all purchase agreements or lease agreements for real estate, ground ambulance vehicles, and equipment exceeding \$5,000 used in connection with the ground ambulance service, that includes the monetary amount and duration of each agreement;
 6. The identification of:
 - a. Each of the applicant's affiliations, such as a parent company or subsidiary owned or operated by the applicant; and
 - b. The methodology and calculations used in allocating costs among the applicant and government entities or profit or not for profit businesses;
 7. A copy of the applicant's contract with each federal or Tribal entity for ground ambulance service if applicable;
 8. Other documents, exhibits, or statements that may assist the Department in setting the general public rates;
 9. An attestation signed by the applicant that the information and documents provided by the applicant are true and correct; and
 10. Any other information or documents requested by the Director to clarify or complete the application.
- B.** The Department shall approve or deny an application under this Section according to 9 A.A.C. 25, Article 12.

R9-25-1102. Application for Adjustment of General Public Rates (A.R.S. §§ 36-2234, 36-2239)

- A.** A certificate of necessity holder applying for an adjustment of general public rates not exceeding the monetary amount calculated according to A.R.S. § 36-2234(E) shall submit an application form to the Department that includes:
1. The name of the applicant;
 2. A statement that the applicant is making the request according to A.R.S. § 36-2234(E);
 3. A statement that the applicant has not applied for an adjustment to its general public rates within the last 6 months;
 4. The effective date of the proposed general public rate adjustment; and
 5. An attestation signed by the applicant that the information and documents provided by the applicant are true and correct.
- B.** An applicant requesting an adjustment of general public rates exceeding the monetary amount calculated according to A.R.S. § 36-2234(E) shall submit an application packet to the Department that includes:
1. The name of the applicant;
 2. A statement that the applicant is making the request according to A.R.S. § 36-2234(A);
 3. The reason for the general public rate adjustment request;
 4. A statement that the applicant has not applied for an adjustment to its general public rates within the last 6 months;
 5. The effective date of the proposed general public rate adjustment;
 6. A copy of the applicant's most recent financial statements;
 7. A copy of the Ambulance Revenue and Cost Report;
 8. For a consecutive 12-month period:
 - a. A projected income statement; and

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- b. A projected cash-flow statement;
 - 9. A list of all purchase agreements or lease agreements for real estate, ground ambulance vehicle, and equipment exceeding \$5,000 used in connection with the ground ambulance service, that includes monetary amount of the agreement and duration of the agreement;
 - 10. The identification of:
 - a. Each of the applicant's affiliations, such as a parent company or subsidiary owned or operated by the applicant; and
 - b. The methodology and calculations used in allocating costs among the applicant and government entities or profit or not for profit businesses;
 - 11. A copy of the applicant's contract for a ground ambulance service with each federal or Tribal entity, if applicable;
 - 12. Other documents, exhibits, or statements that may assist the Department in setting the general public rates;
 - 13. An attestation signed by the applicant that the information and documents provided by the applicant are true and correct; and
 - 14. Any other information or documents requested by the Director to clarify or complete the application.
- C.** The Department shall approve or deny an application under this Section according to 9 A.A.C. 25, Article 12.

R9-25-1103. Application for Contract Rates or Range of Rates Less than General Public Rates (A.R.S. §§ 36-2234(G) and (I), 36-2239)

- A.** Before providing interfacility transports or convalescent transports, a certificate holder shall apply to the Department for approval of a contract rate or range of contract rates under ARS § 36-2234(G).
- 1. For a contract rate or range of rates under § A.R.S. 36-2234(G), the certificate holder shall submit an application form to the Department that contains:
 - a. The name of the certificate holder;
 - b. A statement that the certificate holder is making the request under A.R.S. § 36-2234(G);
 - c. The contract rate or range of rates being requested; and
 - d. Information demonstrating the cost and economics of providing the transports for the requested contract rate or range of rates.
 - 2. For a contract rate or range of rates under A.R.S. § 36-2234(I), the certificate holder shall submit the information required in R9-25-1102(B)(1) and (B)(6) through (B)(14).
- B.** The Department shall approve or deny an application under this Section according to 9 A.A.C. 25, Article 12.

R9-25-1104. Ground Ambulance Service Contracts (A.R.S. §§ 36-2232, 36-2234(K))

- A.** Before implementing a ground ambulance service contract, a certificate holder shall submit to the Department for approval a copy of the contract with a cover letter that indicates the total number of pages in the contract. The contract shall:
- 1. Include the certificate holder's legal name and any other name listed on the certificate holder's initial application required in R9-25-902(A)(1)(a);
 - 2. List the contract rate or range of rates approved by the Director according to R9-25-1101 or R9-25-1103;
 - 3. Comply with A.R.S. §§ 36-2201 through 36-2246 and 9 A.A.C 25; and
 - 4. Not preclude use of the 9-1-1 system or a similarly designated emergency telephone number.
- B.** The Department shall approve or deny an application under this Section according to 9 A.A.C. 25, Article 12.

R9-25-1105. Application To Provide Subscription Service or Establish a Subscription Service Rate (A.R.S. §36-2232(A)(1))

- A.** A certificate holder applying to provide subscription service, establish a subscription service rate, or request approval of a subscription service contract shall submit an application packet to the Department that includes:
- 1. The following information:
 - a. The number of estimated subscription service contracts and documents supporting the estimate, such as a survey of the service area;
 - b. An estimate of the number of annual subscription service transports for the service area;
 - c. The proposed subscription service rate;
 - d. An estimate of the cost of providing subscription service to the service area; and
 - e. Any other information or documents that the certificate holder believes may assist the Department in setting a subscription service rate; and
 - 2. A copy of the proposed subscription service contract.
- B.** The Department shall approve or deny a subscription service rate under this Section according to 9 A.A.C. 25, Article 12.

R9-25-1106. Rate of Return Setting Considerations (A.R.S. §§ 36-2232, 36-2239)

- A.** In determining the rate of return on gross revenue in A.R.S. § 36-2239(D)(4), the Director shall consider a ground ambulance service's:

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1. Direct and indirect costs for operating the ground ambulance service within its service area;
 2. Balance sheet;
 3. Income statement;
 4. Cash flow statement;
 5. Ratio between variable and fixed costs on the financial statements;
 6. Method of indirect costs allocation to specific cost-center areas;
 7. Return on owner equity;
 8. Reimbursable and non-reimbursable charges;
 9. Type of business entity;
 10. Monetary amount and type of debt financing;
 11. Replacement and expansion costs;
 12. Number of calls, transports, and billable miles;
 13. Costs associated with rules, inspections, and audits;
 14. Substantiated prior reported losses;
 15. Medicare and AHCCCS settlements; and
 16. Any other information or documents needed by the Director to clarify incomplete or ambiguous information or documents.
- B.** In determining the rate of return on gross revenue in A.R.S. § 36-2239(I)(4), the Director shall not consider:
1. Depreciation of the portion of ground ambulance vehicles and equipment obtained through Department funding;
 2. The certificate holder's travel and entertainment expenses that do not directly relate to providing the ground ambulance service;
 3. The monetary value of any goodwill accumulated by the certificate holder;
 4. Any penalties or fines imposed on the certificate holder by a court or government agency; and
 5. Any financial contributions received by the certificate holder.
- C.** In determining just, reasonable, and sufficient rates in A.R.S. § 36-2232(A)(1) the director shall establish rates to provide for a rate of return that is at least 7% of gross revenue, calculated using the accrual method of accounting according to generally accepted accounting principles, unless the certificate holder requests a lower rate of return.
- D.** Rate of return on gross revenue is calculated by dividing Ambulance Revenue and Cost Report Exhibit A or Exhibit B net income or loss by gross revenue.

R9-25-1107. Rate Calculation Factors (A.R.S. § 36-2232)

- A.** When evaluating a proposed mileage rate, the Department shall consider the following factors:
1. The cost of licensure and registration of each ground ambulance vehicle;
 2. The cost of fuel;
 3. The cost of ground ambulance vehicle maintenance;
 4. The cost of ground ambulance vehicle repair;
 5. The cost of tires;
 6. The cost of ground ambulance vehicle insurance;
 7. The cost of mechanic wages, benefits, and payroll taxes;
 8. The cost of loan interest related to the ground ambulance vehicles;
 9. The cost of the weighted allocation of overhead;
 10. The cost of ground ambulance vehicle depreciation;
 11. The cost of reserves for replacement of ground ambulance vehicles and equipment; and
 12. Mileage reimbursement as established by Medicare guidelines for ground ambulance service.
- B.** When evaluating a proposed BLS base rate, the Department shall consider the costs associated with providing EMS and transport.
- C.** When evaluating a proposed ALS base rate, the Department shall consider the factors in subsection (B) and the additional costs of ALS ambulance equipment and ALS personnel.
- D.** In evaluating rates, the Director shall make adjustments to a certificate holder's rates to maximize Medicare reimbursements.
- E.** The Department shall determine the standby waiting rate by dividing the BLS base rate by 4.

R9-25-1108. Implementation of Rates and Charges (A.R.S. §§ 36-2232, 36-2239)

- A.** A certificate holder shall assess rates and charges as follows:
1. When calculating a rate or charge, the certificate holder shall:
 - a. Omit fractions of less than 1/2 of 1 cent; or
 - b. Increase to the next whole cent, fractions of 1/2 of 1 cent or greater.
 2. The certificate holder shall calculate the number of miles for a transport by using:
 - a. The ground ambulance vehicle's odometer reading; or

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- b. A regional map.
- 3. The certificate holder shall calculate the reimbursement amount for total mileage of a transport by multiplying the number of miles for the transport by the mileage rate.
- 4. When transporting 2 or more patients in the same ground ambulance vehicle, the certificate holder shall assess each patient:
 - a. Fifty percent of the mileage rate and one hundred percent of the ALS or BLS base rate; and
 - b. One hundred percent of:
 - i. The charge for each disposable supply, medical supply, medication, and oxygen-related cost used on the patient; and
 - ii. Waiting time assessed according to subsection (C).
- 5. When agreed upon by prior arrangement to transport a patient to 1 destination and return to the point of pick-up or to 1 destination and then to a subsequent destination, assess only the ALS or BLS base rate, mileage rate, and standby waiting rate for the transport.
- B.** When a certificate holder transfers a patient to an air ambulance, the certificate holder shall assess the patient the rates and charges for EMS and transport provided to the patient before the transfer.
- C.** A certificate holder shall assess a standby waiting rate in quarter-hour increments, except for:
 - 1. The first 15 minutes after arrival to load the patient at the point of pick-up;
 - 2. The time, exceeding the first 15 minutes, required by ambulance attendants to provide necessary medical treatment and stabilization of the patient at the point of pick-up; and
 - 3. The first 15 minutes to unload the patient at the point of destination.
- D.** When a certificate holder responds to a request outside the certificate holder's service area, the certificate holder shall assess its own rates and charges for EMS or transport provided to the patient.
- E.** When the Department or the certificate holder determines that a refund of a rate or a charge is required, the certificate holder shall refund the rate or charge within 90 days from the date of the determination.

R9-25-1109. Charges (A.R.S. §§ 36-2232, 36-2239(D))

- A.** A certificate holder that charges patients for disposable supplies, medical supplies, medications, and oxygen-related costs shall submit to the Department a list of the items and the proposed charges. The list shall include a non-retroactive effective date.
- B.** A certificate holder shall submit to the Department a new list each time the certificate holder proposes a change in the items or the amount charged. The list shall contain the information required in subsection (A), including a non-retroactive effective date.

R9-25-1110. Invoices (A.R.S. §§ 36-2234, 36-2239)

- A.** Each invoice for rates and charges shall contain the following:
 - 1. The patient's name;
 - 2. The certificate holder's name, address, and telephone number;
 - 3. The date of service;
 - 4. An itemized list of the rates and charges assessed;
 - 5. The total monetary amount owed the certificate holder; and
 - 6. The payment due date.
- B.** Any subsequent invoice to the same patient for the same EMS or transport shall contain all the information in subsection (A) except the information in subsection (A)(4).
- C.** Charges may be combined into 1 line item if the supplies are used for a specific purpose and the name of the combined item is included in the certificate holder's disposable medical supply listing provided to the Department under R9-25-1109.
- D.** A certificate holder may combine rates and charges into 1 line item if required by a third-party payor.

ARTICLE 12. TIME-FRAMES FOR DEPARTMENT APPROVALS

R9-25-1201. Ground Ambulance Time-frames (A.R.S. §§ 41-1072 through 41-1079)

- A.** The overall time-frame described in A.R.S. § 41-1072(2) for each type of approval granted by the Department is listed in Table 1. The applicant and the Director may agree in writing to extend the overall time-frame. The substantive review time-frame may not be extended by more than 25% of the overall time-frame.
- B.** The administrative completeness review time-frame described in A.R.S. § 41-1072(1) for each type of approval granted by the Department is listed in Table 1. The administrative completeness review time-frame begins on the date that the Department receives an application form or an application packet.
 - 1. If the application packet is incomplete, the Department shall send to the applicant a written notice specifying the missing document or incomplete information. The administrative completeness review time-frame and the overall

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- time-frame are suspended from the postmark date of the written request until the date the Department receives a complete application packet from the applicant.
2. When an application packet is complete, the Department shall send a written notice of administrative completeness.
 3. If the Department grants an approval during the time provided to assess administrative completeness, the Department shall not issue a separate written notice of administrative completeness.
- C.** The substantive review time-frame described in A.R.S. § 41-1072(3) is listed in Table 1 and begins on the postmark date of the notice of administrative completeness.
1. As part of the substantive review for approval of an initial or renewal certificate of registration, the Department or other Department-approved facility shall inspect the ground ambulance vehicle to be registered.
 2. If required by law or ordered by the Department Director, the Department shall hold a hearing, unless waived, as part of the substantive review. The Department shall send a notice of hearing or waiver to an applicant whose application is subject to hearing.
 3. During the substantive review time-frame, the Department may make 1 comprehensive written request for additional documents or information or a supplemental request by mutual written agreement for additional information.
 4. The time-frame for the Department to complete the substantive review is suspended from:
 - a. The postmark date of the written request for additional information or documents until the Department receives the additional information or documents, if no hearing is required;
 - b. The postmark date of the written request for additional information or documents until the Department receives the additional information or documents and the hearing is concluded or waived; or
 - c. The postmark date of the notice of hearing or waiver until the hearing is concluded or waived.
 5. The Department shall send a written notice of approval to an applicant who meets the qualifications in A.R.S. Title 36, Chapter 21.1 and this Chapter.
 6. The Department shall send a written notice of denial to an applicant who fails to meet the qualifications in A.R.S. Title 36, Chapter 21.1, and this Chapter.
- D.** The Department shall consider an application withdrawn if within 60 days, or less if required by law, from the postmark date of a written notice or request for documents or information the applicant fails to supply the documents or information under subsections (B)(1) and (C)(2).
- E.** An applicant that does not wish an application to be considered withdrawn may request a denial in writing within 60 days, or less if required by law, from the postmark date of a written notice or request for documents or information under subsection (B)(1) and (C)(2).
- F.** If a time-frame's last day falls on a Saturday, Sunday, or an official state holiday, the Department shall consider the next business day as the time-frame's last day.

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Table 1. Time-frames (in days)

<u>Type of Approval</u>	<u>Statutory Authority</u>	<u>Overall Time-frame</u>	<u>Administrative Completeness Time-frame</u>	<u>Substantive Review Time-frame</u>
<u>Initial Certificate of Necessity (R9-25-902)</u>	<u>A.R.S. §§ 36-2204, 36-2232, 36-2233, 36-2240</u>	<u>185</u>	<u>30</u>	<u>155</u>
<u>Provision of ALS Services (R9-25-902)</u>	<u>A.R.S. §§ 36-2232, 36-2233, 36-2240</u>	<u>185</u>	<u>30</u>	<u>155</u>
<u>Transfer of a Certificate of Necessity (R9-25-902)</u>	<u>A.R.S. §§ 36-2236(A) and (B), 36-2240</u>	<u>185</u>	<u>30</u>	<u>155</u>
<u>Renewal of a Certificate of Necessity (R9-25-904)</u>	<u>A.R.S. §§ 36-2233, 36-2235, 36-2240</u>	<u>60</u>	<u>15</u>	<u>45</u>
<u>To amend a Certificate of Necessity (R9-25-905)</u>	<u>A.R.S. §§ 36-2232(A)(4), 36-2240</u>	<u>185</u>	<u>30</u>	<u>155</u>
<u>Registration of a Ground Ambulance Vehicle (R9-25-1001)</u>	<u>A.R.S. §§ 36-2212, 36-2232, 36-2240</u>	<u>60</u>	<u>15</u>	<u>45</u>
<u>Renewal of a Ground Ambulance Vehicle Registration(R9-25-1001)</u>	<u>A.R.S. §§ 36-2212, 36-2232, 36-2240</u>	<u>60</u>	<u>15</u>	<u>45</u>
<u>Establishment of Initial General Public Rates (R9-25-1101)</u>	<u>A.R.S. §§ 36-2232, 36-2239</u>	<u>185</u>	<u>30</u>	<u>155</u>
<u>Adjustment of General Public Rates (R9-25-1102)</u>	<u>A.R.S. §§ 36-2234, 36-2239</u>	<u>185</u>	<u>30</u>	<u>155</u>
<u>Contract Rate or Range of Rates Less than General Public Rates (R9-25-1103)</u>	<u>A.R.S. §§ 36-2222, 36-2234, 36-2239</u>	<u>185</u>	<u>30</u>	<u>155</u>
<u>Ground Ambulance Service Contracts (R9-25-1104)</u>	<u>A.R.S. §§ 36-2232</u>	<u>90</u>	<u>30</u>	<u>60</u>
<u>Ground Ambulance Service Contracts with Political Subdivisions (R9-25-1104)</u>	<u>A.R.S. §§ 36-2232, 36-2234 (K)</u>	<u>30</u>	<u>15</u>	<u>15</u>
<u>Subscription Service Rate (R9-25-1105)</u>	<u>A.R.S. § 36-2232(A)(1)</u>	<u>185</u>	<u>30</u>	<u>155</u>

Editor's note: The following pages are proposed New Exhibits and normally would be underlined to reflect new language. However, Exhibits A and B (pages 4399 through 4431) are printed without underlines for better appearance and ease of readability.

**EXHIBIT A
AMBULANCE REVENUE AND COST REPORT
GENERAL INFORMATION AND CERTIFICATION**

Legal Name of Company: _____ CON No. _____
D.B.A. (Doing Business As): _____ Business Phone: () _____
Financial Records Address: _____ City: _____ Zip Code _____
Mailing Address (If Different): _____ City: _____ Zip Code: _____
Owner/Manager: _____
Report Contact Person: _____ Phone: () _____ Ext. _____
Report for Period From: _____ To: _____
Method of Valuing Inventory: LIFO: () FIFO: () Other (Explain): _____
Please attach a list of all affiliated organizations (parents/subsidiaries) that exhibit at least 5% ownership/ vesting.

CERTIFICATION

I hereby certify that I have directed the preparation of the Arizona Ambulance Revenue and Cost Report for the facility listed above in accordance with the reporting requirements of the State of Arizona.

I have read this report and hereby certify that the information provided is true and correct to the best of my knowledge.

This report has been prepared using the accrual basis of accounting.

Authorized Signature: _____
Title: _____ Date: _____

Mail to:
Department of Health Services
Bureau of Emergency Medical Services
Certificate of Necessity and Rates Section
1651 East Morten Avenue, Suite 130
Phoenix, AZ 85020
Telephone: (602) 861-0809
Fax: (602) 861-9812

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Revised 8/5/99

AMBULANCE REVENUE AND COST REPORT

AMBULANCE SERVICE ENTITY: _____

FOR THE PERIOD FROM: _____ **TO:** _____

STATISTICAL SUPPORT DATA

Line	(1)	(2)**	(3)	(4)
No. DESCRIPTION	SUBSCRIPTION SERVICE TRANSPORTS	TRANSPORTS UNDER CONTRACT	TRANSPORTS NOT UNDER CONTRACT	TOTALS
01 Number of ALS Billable Runs	_____	_____	_____	_____
02 Number of BLS Billable Runs	_____	_____	_____	_____
03 Number of Loaded Billable Miles	_____	_____	_____	_____
04 Waiting Time (Hr. & Min.)	_____	_____	_____	_____
05 Total Canceled (Non-Billable) Runs	_____	_____	_____	_____
				Number
				Donated Hours
Volunteer Services: (OPTIONAL)				
06 Paramedic and IEMT				_____
07 Emergency Medical Technician - B				_____
08 Other Ambulance Attendants				_____
09 Total Volunteer Hours				_____

**This column reports only those runs where a contracted discount rate was applied. See Page 7 to provide additional information regarding discounted contract runs.

AMBULANCE REVENUE AND COST REPORT

AMBULANCE SERVICE ENTITY: _____

FOR THE PERIOD FROM: _____ **TO:** _____

STATISTICAL SUPPORT DATA

	(1)	(2) NON-	(3)
Line	SUBSIDIZED	SUBSIDIZED	
No. TYPE OF SERVICE	PATIENTS	PATIENTS	TOTALS
01 Number of Advanced Life Support Billable Runs	_____	_____	_____
02 Number of Basic Life Support Billable Runs	_____	_____	_____
03 Number of Loaded Billable Miles	_____	_____	_____
04 Waiting Time (Hours and Minutes)	_____	_____	_____
05 Total Canceled (Non-Billable) Runs	_____	_____	_____
			Number
			Donated Hours
Volunteer Services: (OPTIONAL)			
06 Paramedic and IEMT	_____	_____	_____
07 Emergency Medical Technician - B	_____	_____	_____
08 Other Ambulance Attendants _____	_____	_____	_____
09 Total Volunteer Hours	_____	_____	_____

Note: This page and page 3.1, Routine Operating Revenue, are only for those governmental agencies that apply subsidy to patient billings.

AMBULANCE REVENUE AND COST REPORT

AMBULANCE SERVICE ENTITY: _____

FOR THE PERIOD FROM: _____ **TO:** _____

STATEMENT OF INCOME

<u>Line</u> <u>No. DESCRIPTION</u>	<u>FROM</u>	
Operating Revenue:		
01 Ambulance Service Routine Operating Revenue	Page 3 Line 10	\$ _____
Less:		
02 AHCCCS Settlement		_____
03 Medicare Settlement		_____
04 Contractual Discounts	Page 7 Line 22	_____
05 Subscription Service Settlement	Page 8 Line 4	_____
06 Other (Attach Schedule)		_____
07 Total		_____
08 Net Revenue from Ambulance Runs		\$ _____
09 Sales of Subscription Service Contracts	Page 8 Line 8	
10 Total Operating Revenue		\$ _____
Ambulance Operating Expenses:		
11 Bad Dept (Includes Subscription Services Bad Debt		\$ _____
12 Wages, Payroll Taxes, and Employee Benefits	Page 4 Line 22	_____
13 General and Administrative Expenses	Page 5 Line 20	_____
14 Cost of Goods Sold	Page 3 Line 15	_____
15 Other Operating Expenses	Page 6 Line 28	_____
16 Interest Expense (Attach Schedule IV)	Page 14 CI 4 & 5 Line 28	_____
17 Subscription Service Direct Selling	Page 8 Line 23	_____
18 Total Operating Expenses		_____
19 Ambulance Service Income (Loss) (Line 10 minus Line 18)		\$ _____
Other Revenue/Expenses:		
20 Other Operating Revenue and Expenses	Page 9 Line 17	\$ _____
21 Non-Operating Revenue and Expense		_____
22 Non-Deductible Expenses (Attach Schedule)		_____
23 Total Other Revenues/Expenses		_____
24 Ambulance Service Income (Loss) - Before Income Taxes		\$ _____
Provision for Income Taxes:		
25 Federal Income Tax		\$ _____
26 State Income Tax		_____
27 Total Income Tax		_____
28 Ambulance Service - Net Income (Loss)		\$ _____

AMBULANCE REVENUE AND COST REPORT

AMBULANCE SERVICE ENTITY: _____

FOR THE PERIOD FROM: _____ **TO:** _____

ROUTINE OPERATING REVENUE

Line

No. DESCRIPTION _____

Ambulance Service Routine Operating Revenue:

01	ALS Base Rate.	\$ _____
02	BLS Base Rate.	_____
03	Mileage Charge	_____
04	Waiting Charge.	_____
05	Medical Supplies (Gross Charges).	_____
06	Nurses Charges	_____
07	Total	\$ _____
08	Standby Revenue (Attach Schedule)	_____
09	Other Ambulance Service Revenue (Attach Schedule)	_____
10	Total Ambulance Service Routine Operating Revenue (To Page 2, Line 01)	\$ _____

COST OF GOODS SOLD: (MEDICAL SUPPLIES)

11	Inventory at Beginning of Year	_____
12	Plus Purchases.	_____
13	Plus Other Costs.	_____
14	Less Inventory at End of Year. (_____)	
15	Cost of Goods Sold (To Page 2 Line 14).	\$ _____

AMBULANCE REVENUE AND COST REPORT

AMBULANCE SERVICE ENTITY: _____

FOR THE PERIOD FROM: _____ **TO:** _____

ROUTINE OPERATING REVENUE

Line No. TYPE OF SERVICE	(1) SUBSIDIZED PATIENTS	(2) NON- SUBSIDIZED PATIENTS	(3) TOTALS
AMBULANCE SERVICE OPERATING REVENUE			
01 ALS Base Rate	\$ _____	\$ _____	\$ _____
02 BLS Base Rate	_____	_____	_____
03 Mileage Charge.	_____	_____	_____
04 Waiting Charge.	_____	_____	_____
05 Medical Supplies (Gross Charges).	_____	_____	_____
06 Nurses' Charges.	_____	_____	_____
07 Total	\$ _____	\$ _____	\$ _____
08 Standby Revenue (Attach Schedule)			_____
09 Other Ambulance Service Revenue (Attach Schedule)			_____
10 Total Ambulance Service Routine Operating Revenue (Column 3 to Page 2, Line 01)			\$ _____
Less:			
11 AHCCCS Settlement	\$ _____	\$ _____	\$ _____
12 Medicare Settlement	_____	_____	_____
13 Subsidy	_____	XXXXXXXXXXXXXX	_____
14 Other (Attach Schedule)	_____	_____	_____
15 Total Settlements (Column 3 to Page 2, Line 06)	\$ _____	\$ _____	\$ _____
Cost of Goods Sold:			
16 Inventory at Beginning of Year			\$ _____
17 Plus Purchases.			_____
18 Plus Other Costs.			_____
19 Less Inventory at End of Year			(_____)
20 Cost of Goods Sold (Column 3 to Page 2, Line 14)			\$ _____

AMBULANCE REVENUE AND COST REPORT

AMBULANCE SERVICE ENTITY: _____

FOR THE PERIOD FROM: _____ **TO:** _____

WAGES, PAYROLL TAXES, AND EMPLOYEE BENEFITS

Line No. DESCRIPTION	No. of *F.T.E.s	AMOUNT
01 Gross Wages - OFFICERS/OWNERS (Attach Schedule I, Page 10, Line 7)		\$ _____
02 Payroll Taxes		_____
03 Employee Fringe Benefits		_____
04 Total		\$ _____
05 Gross Wages - MANAGEMENT (Attach Schedule II)		\$ _____
06 Payroll Taxes		_____
07 Employee Fringe Benefits		_____
08 Total		\$ _____
Gross Wages - AMBULANCE PERSONNEL (Attach Schedule II)		
	**Casual Labor	Wages
09 Paramedics and IEMT.	_____	_____
10 Emergency Medical Technician (EMT). _____	_____	_____
11 Nurses.	_____	_____
12 Payroll Taxes.		_____
13 Employee Fringe Benefits		_____
14 Total.		\$ _____
Gross Wages - OTHER PERSONNEL (Attach Schedule II)		
15 Dispatch.		\$ _____
16 Mechanics		_____
17 Office and Clerical		_____
18 Other		_____
19 Payroll Taxes.		_____
20 Employee Fringe Benefits		_____
21 Total.		\$ _____
22 Total F.T.E.s' Wages, Payroll Taxes, & Employee Benefits (To Page 2, Line 12) .		\$ _____

* Full-time equivalents (F.T.E.) Is the sum of all hours for which employee wages were paid during the year divided by 2,080.

** The sum of Casual Labor (wages paid on a per run basis) plus Wages paid is entered in Column 2 by line item. However, when calculating F.T.E.s, do not include casual labor hours worked or expenses incurred.

Arizona Administrative Register
Notices of Proposed Rulemaking

AMBULANCE REVENUE AND COST REPORT

AMBULANCE SERVICE ENTITY: _____

FOR THE PERIOD FROM: _____ **TO:** _____

WAGES, PAYROLL TAXES, AND EMPLOYEE BENEFITS

<u>Line No.</u>	<u>DESCRIPTION</u>	<u>(1) No. of *F.T.E.s</u>	<u>(2) Total Expenditure</u>	<u>(3) Allocation Percentage</u>	<u>(4) Ambulance Amount</u>
01	Gross Wages - Management (Attach Schedule II)	_____	\$ _____	_____	_____
02	Payroll Taxes.	_____	_____	_____	_____
03	Employee Fringe Benefits.	_____	_____	_____	_____
04	Total	_____	\$ _____	_____	_____
Gross Wages - Ambulance Personnel (Attach Schedule) :					
**Contractual Wages					
05	Paramedics and IEMT	_____	\$ _____	_____	_____
06	Emergency Medical Technician (EMT) _____	_____	_____	_____	_____
07	Nurses.	_____	_____	_____	_____
08	Drivers.	_____	_____	_____	_____
09	Payroll Taxes.	_____	_____	_____	_____
10	Employee Fringe Benefits.	_____	_____	_____	_____
11	Total.	_____	\$ _____	_____	_____
Gross Wages - Other Personnel (Attach Schedule II):					
12	Dispatch.	_____	\$ _____	_____	_____
13	Mechanics	_____	_____	_____	_____
14	Office and Clerical	_____	_____	_____	_____
15	Other	_____	_____	_____	_____
16	Payroll Taxes.	_____	_____	_____	_____
17	Employee Fringe Benefits	_____	_____	_____	_____
18	Total.	_____	\$ _____	_____	_____
19	Total F.T.E.s' Wages, Payroll Taxes, and Employee Benefits (To Page 2, Line 12)	_____	\$ _____	_____	_____

* Full-Time Equivalents (F.T.E.) Is the sum of all hours for which employee wages were paid during the year divided by 2,080.

** The sum of Contractual + Wages paid is entered in Column 2 by line item. However, when calculating F.T.E.s, do not include contractual hours worked or expenses incurred.

Arizona Administrative Register
Notices of Proposed Rulemaking

AMBULANCE REVENUE AND COST REPORT

AMBULANCE SERVICE ENTITY: _____

FOR THE PERIOD FROM: _____ **TO:** _____

WAGES, PAYROLL TAXES, AND EMPLOYEE BENEFITS

Line No.	DESCRIPTION	Basis of Allocations	
01	Gross Wages - Management	_____	_____
02	Payroll Taxes	_____	_____
03	Employee Fringe Benefits	_____	_____
04	Total	_____	_____
Gross Wages - Ambulance Personnel:		<u>Contractual</u>	<u>Wages</u>
05	Paramedics and IEMT	_____	_____
06	Emergency Medical Technician (EMT)	_____	_____
07	Nurses	_____	_____
08	Drivers	_____	_____
09	Payroll Taxes	_____	_____
10	Employee Fringe Benefits	_____	_____
11	Total	_____	_____
Gross Wages - Other Personnel:			
12	Dispatch	_____	_____
13	Mechanics	_____	_____
14	Office and Clerical	_____	_____
15	Other	_____	_____
16	Payroll Taxes	_____	_____
17	Employee Fringe Benefits	_____	_____
18	Total	_____	_____

AMBULANCE REVENUE AND COST REPORT

AMBULANCE SERVICE ENTITY: _____

FOR THE PERIOD FROM: _____ **TO:** _____

GENERAL AND ADMINISTRATIVE EXPENSES

Line
No. DESCRIPTION _____

Professional Services:

01 Legal Fees \$ _____
02 Collection Fees..... _____
03 Accounting and Auditing _____
04 Data Processing Fees..... _____
05 Other (Attach Schedule) _____

06 Total \$ _____

Travel and Entertainment:

07 Meals and Entertainment..... \$ _____
08 Transportation - Other Company Vehicles _____
09 Travel _____
10 Other (Attach Schedule) _____

11 Total \$ _____

Other General and Administrative:

12 Office Supplies \$ _____
13 Postage _____
14 Telephone _____
15 Advertising _____
16 Professional Liability Insurance..... _____
17 Dues and Subscriptions _____
18 Other (Attach Schedule) _____

19 Total \$ _____
20 Total General and Administrative Expenses (To Page 2, Line 13)..... \$ _____

Arizona Administrative Register
Notices of Proposed Rulemaking

AMBULANCE REVENUE AND COST REPORT

AMBULANCE SERVICE ENTITY: _____

FOR THE PERIOD FROM: _____ **TO:** _____

GENERAL AND ADMINISTRATIVE EXPENSES

<u>Line No.</u>	<u>DESCRIPTION</u>	<u>(1) Total Expenditure</u>	<u>(2) Allocation Percentage</u>	<u>(3) Ambulance Amount</u>
Professional Services:				
01	Legal Fees	\$ _____	_____	\$ _____
02	Collection Fees	_____	_____	_____
03	Accounting and Auditing	_____	_____	_____
04	Data Processing Fees.....	_____	_____	_____
05	Other (Attach Schedule)	_____	_____	_____
06	Total	\$ _____		\$ _____
Travel and Entertainment:				
07	Meals and Entertainment	\$ _____	_____	\$ _____
08	Transportation - Other Company Vehicles	_____	_____	_____
09	Travel	_____	_____	_____
10	Other (Attach Schedule)	_____	_____	_____
11	Total	\$ _____		\$ _____
Other General and Administrative:				
12	Office Supplies	\$ _____	_____	\$ _____
13	Postage	_____	_____	_____
14	Telephone	_____	_____	_____
15	Advertising	_____	_____	_____
16	Professional Liability Insurance	_____	_____	_____
17	Dues and Subscriptions	_____	_____	_____
18	Other (Attach Schedule)	_____	_____	_____
19	Total	\$ _____		\$ _____
20	Total General & Administrative Expenses (to Page 2, Line 13)	\$ _____		\$ _____

Arizona Administrative Register
Notices of Proposed Rulemaking

AMBULANCE REVENUE AND COST REPORT

AMBULANCE SERVICE ENTITY: _____

FOR THE PERIOD FROM: _____ **TO:** _____

GENERAL AND ADMINISTRATIVE EXPENSES (cont.)

<u>Line No.</u>	<u>DESCRIPTION</u>	<u>Basis of Allocations</u>
Professional Services:		
01	Legal Fees	_____
02	Collection Fees	_____
03	Accounting and Auditing	_____
04	Data Processing Fees.....	_____
05	Other (Attach Schedule)	_____
06	Total	_____
Travel and Entertainment:		
07	Meals and Entertainment	_____
08	Transportation - Other Company Vehicles	_____
09	Travel	_____
10	Other (Attach Schedule)	_____
11	Total	_____
Other General and Administrative:		
12	Office Supplies	_____
13	Postage	_____
14	Telephone	_____
15	Advertising	_____
16	Professional Liability Insurance	_____
17	Dues and Subscriptions	_____
18	Other (Attach Schedule)	_____
19	Total	_____

AMBULANCE REVENUE AND COST REPORT

AMBULANCE SERVICE ENTITY: _____

FOR THE PERIOD FROM: _____ **TO:** _____

OTHER OPERATING EXPENSES

Line

No. OTHER OPERATING EXPENSES

Depreciation and Amortization:

01 Depreciation (Attach Schedule III) (From Line 20, Col I, Page 13) \$ _____
02 Amortization _____
03 Total \$ _____
04 Rent/Lease (Attach Schedule III) (From Line 20, Col K, Page 13) \$ _____

Building/Station Expense:

05 Building and Cleaning Supplies \$ _____
06 Utilities _____
07 Property Taxes _____
08 Property Insurance _____
09 Repairs and Maintenance _____
10 Other (Attach Schedule) _____
11 Total \$ _____

Vehicle Expense - Ambulance Units:

12 License/Registration \$ _____
13 Fuel _____
14 General Vehicle Service and Maintenance _____
15 Major Repairs _____
16 Insurance - Service Vehicles _____
17 Other (Attach Schedule) _____
18 Total \$ _____

Other Expenses:

19 Dispatch _____
20 Education/Training _____
21 Uniforms and Uniform Cleaning _____
22 Meals and Travel for Ambulance Personnel _____
23 Maintenance Contracts _____
24 Minor Equipment - Not Capitalized _____
25 Ambulance Supplies - Nonchargeable _____
26 Other (Attach Schedule) _____
27 Total \$ _____
28 Total Other Operating Expenses (To Page 2, Line 15) \$ _____

Arizona Administrative Register
Notices of Proposed Rulemaking

AMBULANCE REVENUE AND COST REPORT

AMBULANCE SERVICE ENTITY: _____

FOR THE PERIOD FROM: _____ **TO:** _____

OTHER OPERATING EXPENSES

OTHER OPERATING EXPENSES	(1) Total Expenditure	(2) Allocation Percentage	(3) Ambulance Amount
Depreciation and Amortization:			
Depreciation (Attach Schedule III) (From Line 20, Col I, Page 12)	\$ _____	_____	_____
Amortization	\$ _____	_____	_____
Total	\$ _____	_____	_____
Rent/Lease (Attach Schedule III) Line 20, Col K, Page 12	\$ _____	_____	_____
Building/Station Expense:			
Building and Cleaning Supplies	\$ _____	_____	_____
Utilities	_____	_____	_____
Property Taxes	_____	_____	_____
Property Insurance	_____	_____	_____
Repairs and Maintenance	_____	_____	_____
Other (Attach Schedule)	_____	_____	_____
Total	\$ _____	_____	_____
Vehicle Expense - Ambulance Units:			
License/Registration	\$ _____	_____	_____
Fuel	_____	_____	_____
General Vehicle Service and Maintenance	_____	_____	_____
Major Repairs	_____	_____	_____
Insurance - Service Vehicles	_____	_____	_____
Other (Attach Schedule)	_____	_____	_____
Total	\$ _____	_____	_____
Other Expenses:			
Dispatch	\$ _____	_____	_____
Education/Training	_____	_____	_____
Uniforms and Uniform Cleaning	_____	_____	_____
Meals and Travel for Ambulance Personnel	_____	_____	_____
Maintenance Contracts	_____	_____	_____
Minor Equipment - Not Capitalized	_____	_____	_____
Ambulance Supplies - Nonchargeable	_____	_____	_____
Other (Attach Schedule)	_____	_____	_____
Total	\$ _____	_____	_____
Total Other Operating Expenses (To Page 2, Line 15)	\$ _____	_____	_____

Arizona Administrative Register
Notices of Proposed Rulemaking

AMBULANCE REVENUE AND COST REPORT

AMBULANCE SERVICE ENTITY: _____

FOR THE PERIOD FROM: _____ **TO:** _____

OTHER OPERATING EXPENSES

Line		Basis of Allocations
No.	OTHER OPERATING EXPENSES	
	Depreciation and Amortization:	
01	Depreciation	_____
02	Amortization	_____
03	Total	_____
04	Rent/Lease	_____
	Building/Station Expense:	
05	Building and Cleaning Supplies	_____
06	Utilities	_____
07	Property Taxes	_____
08	Property Insurance	_____
09	Repairs and Maintenance	_____
10	Other (Attach Schedule)	_____
11	Total	_____
	Vehicle Expense - Ambulance Units:	
12	License/Registration	_____
13	Fuel	_____
14	General Vehicle Service and Maintenance	_____
15	Major Repairs	_____
16	Insurance - Service Vehicles	_____
17	Other (Attach Schedule)	_____
18	Total	_____
	Other Expenses:	
19	Dispatch	_____
20	Education/Training	_____
21	Uniforms and Uniform Cleaning	_____
22	Meals and Travel for Ambulance Personnel	_____
23	Maintenance Contracts	_____
24	Minor Equipment - Not Capitalized	_____
25	Ambulance Supplies - Nonchargeable	_____
26	Other (Attach Schedule)	_____
27	Total	_____

Page 6.1.a

Arizona Administrative Register
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AMBULANCE REVENUE AND COST REPORT

AMBULANCE SERVICE ENTITY: _____

FOR THE PERIOD FROM: _____ **TO:** _____

DETAIL OF CONTRACTUAL ALLOWANCES

Line No.	Name of Contracting Entity	Total Billable Runs	Gross Billing	Percent Discount	Allowance
01	_____	_____	_____	_____	_____
02	_____	_____	_____	_____	_____
03	_____	_____	_____	_____	_____
04	_____	_____	_____	_____	_____
05	_____	_____	_____	_____	_____
06	_____	_____	_____	_____	_____
07	_____	_____	_____	_____	_____
08	_____	_____	_____	_____	_____
09	_____	_____	_____	_____	_____
10	_____	_____	_____	_____	_____
11	_____	_____	_____	_____	_____
12	_____	_____	_____	_____	_____
13	_____	_____	_____	_____	_____
14	_____	_____	_____	_____	_____
15	_____	_____	_____	_____	_____
16	_____	_____	_____	_____	_____
17	_____	_____	_____	_____	_____
18	_____	_____	_____	_____	_____
19	_____	_____	_____	_____	_____
20	_____	_____	_____	_____	_____
21	_____	_____	_____	_____	_____
22	Total (To Page 2, Line 4)				_____

AMBULANCE REVENUE AND COST REPORT

AMBULANCE SERVICE ENTITY: _____

FOR THE PERIOD FROM: _____ **TO:** _____

SUBSCRIPTION SERVICE REVENUE AND
DIRECT SELLING EXPENSES

Line	No. Description	To	
01	Billings at Fully Established Rate		\$ _____
	Less:		
02	AHCCCS Settlement	_____	
03	Medicare Settlement	_____	
04	Subscription Service Settlements	(To Page 2, Line 5)	_____
05	Subscription Service Bad Debt	_____	
06	Total		\$ _____
07	Net Revenue from Subscription Service Runs		_____
08	Sales of Subscription Service	(To Page 2, Line 9)	_____
09	Other Revenue (Attach Schedule)		_____
10	Total Subscription Service Revenue		\$ _____
	Direct Expenses Incurred Selling Subscription Contracts:		
11	Salaries/Wages		\$ _____
12	Payroll Taxes		_____
13	Employee Fringe Benefits		_____
14	Professional Services		_____
15	Contract Labor		_____
16	Travel		_____
17	Other General and Administrative Expenses		_____
18	Depreciation/Amortization		_____
19	Rent/Lease		_____
20	Building/Station Expense		_____
21	Transportation/Vehicles		_____
22	Other (Attach Schedule)		_____
23	Total Subscription Service Expenses	(To Page 2, Line 17)	\$ _____

AMBULANCE REVENUE AND COST REPORT

AMBULANCE SERVICE ENTITY: _____

FOR THE PERIOD FROM: _____ **TO:** _____

OTHER OPERATING REVENUES AND EXPENSES

Line

No. DESCRIPTION

Other Operating Revenues:

01	Supportive Funding - Local (Attach Schedule)	\$ _____
02	Grant Funds - State (Attach Schedule)	_____
03	Grant Funds - Federal (Attach Schedule)	_____
04	Grant Funds - Other (Attach Schedule)	_____
05	Patient Finance Charges	_____
06	Patient Late Payment Charges	_____
07	Interest Earned - Related Person/Organization	_____
08	Interest Earned - Other	_____
09	Gain on Sale of Operating Property	_____
10	Other: _____	_____
11	Other: _____	_____
12	Total Operating Revenue	\$ _____

Other Operating Expenses:

13	Loss on Sale of Operating Property	\$ _____
14	Other: _____	_____
15	Other: _____	_____
16	Total Other Operating Expenses	\$ _____
17	Net Other Operating Revenues and Expenses (To Page 2, Line 20)	\$ _____

Arizona Administrative Register
Notices of Proposed Rulemaking

AMBULANCE REVENUE AND COST REPORT

AMBULANCE SERVICE ENTITY: _____

FOR THE PERIOD FROM: _____ **TO:** _____

DETAIL OF SALARIES/WAGES
 OFFICERS/OWNERS
 SCHEDULE 1

Wages Paid by Category

Line No.	Name	Title	% of Ownership	Management	*FTE	CEP IEMT EMT	*FTE	Office	*FTE	Other	*FTE	<u>Totals</u>	
												Wages Paid To Owners	*FTE
01	_____	_____	_____	\$ _____	_____	\$ _____	_____	\$ _____	_____	\$ _____	_____	\$ _____	_____
02	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
03	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
04	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
05	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
06	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	1	2
07	TOTAL	=====	=====	\$ =====	=====	\$ =====	=====	\$ =====	=====	\$ =====	=====	\$ =====	=====

* Full-time equivalents (F.T.E.) Is the sum of all hours for which employee wages were paid during the year divided by 2080

1 Total wages paid to owners to Page 4 Col 2 Line 01

2 Total FTEs to Page 4 Col 1 Line 01

AMBULANCE REVENUE AND COST REPORT

AMBULANCE SERVICE ENTITY: _____

FOR THE PERIOD FROM: _____ TO: _____

OPERATING EXPENSES
DETAIL OF SALARIES/WAGES
SCHEDULE II

Line

No. Detail of Salaries/Wages - Other Than Officers/Owners

01 MANAGEMENT:

METHOD OF COMPENSATION:

Certification and/or Title	Scheduled Shifts (I.e. 40 or 60 hours a week)	Hourly Wage	Annual Salary	\$s Per Run or Shift
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

02 AMBULANCE PERSONNEL:

_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

03 OTHER PERSONNEL:

_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

Arizona Administrative Register
Notices of Proposed Rulemaking

AMBULANCE REVENUE AND COST REPORT

AMBULANCE SERVICE ENTITY: _____

FOR THE PERIOD FROM: _____ **TO:** _____

**DEPRECIATION AND/OR RENT/LEASE EXPENSE
SCHEDULE III**

**AMBULANCE VEHICLES AND
 ACCESSORIAL EQUIPMENT ONLY**

	A	B	C	D	E	F	G	H	I	J	K
Line No.	Description of Property	Date Placed in Service	Cost or Other Basis	Business Use Percent	Basis for Depreciation	Method	Recovery Period	Depreciation Prior Years	Current Year Depreciation	Remaining Basis	Rent/Lease Amount*
01											
02											
03											
04											
05											
06											
07											
08											
09											
10											
11											
12											
13											
14											
15											
16											
17											
18											
19											
20	SUBTOTAL	XXX	XXX	XXX	XXX	XXX	XXX	XXX	1	XXX	2

* Complete Description of property, date placed in service, and rent/lease amount only.

1 To Page 13, Line 19, Column I

2 To Page 13, Line 19, Column K

Arizona Administrative Register
Notices of Proposed Rulemaking

AMBULANCE REVENUE AND COST REPORT

AMBULANCE SERVICE ENTITY: _____

FOR THE PERIOD FROM: _____ **TO:** _____

**DEPRECIATION AND/OR RENT/LEASE EXPENSE
 SCHEDULE III**

ALL OTHER ITEMS

	A	B	C	D	E	F	G	H	I	J	K
Line No.	Description of Property	Date Placed in Service	Cost or Other Basis	Business Use Percent	Basis for Depreciation	Method	Recovery Period	Depreciation Prior Years	Current Year Depreciation	Remaining Basis	Rent/Lease Amount*
01											
02											
03											
04											
05											
06											
07											
08											
09											
10											
11											
12											
13											
14											
15											
16											
17											
18	SUBTOTAL	XXX	XXX	XXX	XXX	XXX	XXX	XXX		XXX	
19	SUBTOTAL from Page 12, Line 20	XXX	XXX	XXX	XXX	XXX	XXX	XXX		XXX	
20	SUM of Line 18 and 19	XXX	XXX	XXX	XXX	XXX	XXX	XXX	3	XXX	4

* Complete Description of property, date placed in service, and rent/lease amount only.

1 To Page 6, Line 01

2 To Page 6, Line 04

AMBULANCE REVENUE AND COST REPORT

AMBULANCE SERVICE ENTITY: _____

FOR THE PERIOD FROM: _____ **TO:** _____

DETAIL OF INTEREST - Schedule IV

<u>Line No.</u>	<u>Description</u>	<u>(1)</u> <u>Interest Rate</u>	<u>(2)</u> <u>Principal Balance</u> <u>Beginning of Period</u>	<u>(3)</u> <u>End of Period</u>	<u>(4)</u> <u>Interest Expense</u> <u>Related Persons or Organizations</u>	<u>(5)</u> <u>Other</u>
	Service Vehicles & Accessorial Equipment					
	Name of Payee:					
01	_____	%	\$ _____	\$ _____	\$ _____	\$ _____
02	_____					
03	_____					
04	_____					
	Communication Equipment					
	Name of Payee:					
05	_____	%	\$ _____	\$ _____	\$ _____	\$ _____
06	_____					
07	_____					
	Other Property and Equipment					
	Name of Payee:					
08	_____	%	\$ _____	\$ _____	\$ _____	\$ _____
09	_____					
10	_____					
	Working Capital					
	Name of Payee:					
11	_____	%	\$ _____	\$ _____	\$ _____	\$ _____
12	_____					
13	_____					
	Other					
	Name of Payee:					
14	_____	%	\$ _____	\$ _____	\$ _____	\$ _____
15	TOTAL		\$ _____	\$ _____	\$ _____	\$ _____

------(To Page 2, Column 2, Line 16)-----

BALANCE SHEET

AMBULANCE REVENUE AND COST REPORT

AMBULANCE SERVICE ENTITY: _____

FOR THE PERIOD FROM: _____ **TO:** _____

ASSETS

CURRENT ASSETS

01	Cash	\$ _____	
02	Accounts Receivable	_____	
03	Less: Allowance for Doubtful Accounts	_____	
04	Inventory	_____	
05	Prepaid Expenses	_____	
06	Other Current Assets	_____	
07	TOTAL CURRENT ASSETS		\$ _____

PROPERTY & EQUIPMENT

08	Less: Accumulated Depreciation		\$ _____
----	--------------------------------	--	----------

09	OTHER NONCURRENT ASSETS		\$ _____
----	--------------------------------	--	----------

10	TOTAL ASSETS		\$ _____
----	---------------------	--	----------

LIABILITIES AND EQUITY

CURRENT LIABILITIES

11	Accounts Payable	\$ _____	
12	Current Portion of Notes Payable	_____	
13	Current Portion of Long Term Debt	_____	
14	Deferred Subscription Income	_____	
15	Accrued Expenses and Other	_____	
16	_____	_____	
17	_____	_____	
18	TOTAL CURRENT LIABILITIES		\$ _____

19	NOTES PAYABLE	_____	
----	----------------------	-------	--

20	LONG TERM DEBT OTHER	_____	
----	-----------------------------	-------	--

21	TOTAL LONG-TERM DEBT		\$ _____
----	-----------------------------	--	----------

EQUITY AND OTHER CREDITS

Paid-in Capital:

22	Common Stock	\$ _____	
23	Paid-In Capital in Excess of Par Value	_____	
24	Contributed Capital	_____	
25	Retained Earnings	_____	
26	Fund Balances	_____	

27	TOTAL EQUITY		\$ _____
----	---------------------	--	----------

28	TOTAL LIABILITIES & EQUITY		\$ _____
----	---------------------------------------	--	----------

AMBULANCE REVENUE AND COST REPORT

AMBULANCE SERVICE ENTITY: _____

FOR THE PERIOD FROM: _____ **TO:** _____

STATEMENT OF CASH FLOWS

OPERATING ACTIVITIES:

01	Net (loss) Income	\$ _____	
	Adjustments to reconcile net income to net cash provided by operating activities:		
02	Depreciation Expense	_____	
03	Deferred Income Tax	_____	
04	Loss (gain) on Disposal of Property and Equipment	_____	
	(Increase) Decrease in:		
05	Accounts Receivable	_____	
06	Inventories	_____	
07	Prepaid Expenses	_____	
	(Increase) Decrease in:		
08	Accounts Payable	_____	
09	Accrued Expenses	_____	
10	Deferred Subscription Income	_____	
11	Net Cash Provided (Used) by Operating Activities	\$ _____	

INVESTING ACTIVITIES:

12	Purchases of Property and Equipment	\$ _____	
13	Proceeds from Disposal of Property and Equipment	_____	
14	Purchases of Investments	_____	
15	Proceeds from Disposal of Investments	_____	
16	Loans Made	_____	
17	Collections on Loans	_____	
18	Other _____	_____	
19	Net Cash Provided (Used) by Investing Activities	\$ _____	

FINANCING ACTIVITIES:

	New Borrowings:		
20	Long-Term	\$ _____	
21	Short-Term	_____	
	Debt Reduction:		
22	Long-Term	_____	
23	Short-Term	_____	
24	Capital Contributions	_____	
25	Dividends paid	_____	
26	Net Cash Provided (Used) by Financing Activities	\$ _____	
27	Net Increase (Decrease) in Cash	\$ _____	
28	Cash at Beginning of Year	\$ _____	
29	Cash at End of Year	\$ _____	

30 SUPPLEMENTAL DISCLOSURES:

	Non-cash Investing and Financing Transactions:		
31	_____	\$ _____	
32	_____	_____	
33	Interest Paid (Net of Amounts Capitalized)	_____	
34	Income Taxes Paid	_____	

EXHIBIT B
FIRE DISTRICT and SMALL RURAL COMPANY
AMBULANCE REVENUE AND COST REPORT

Department of Health Services
Annual Ambulance Financial Report

Reporting Ambulance Service

Report Fiscal Year
From: / / / To: / / /
Mo. Day Year Mo. Day Year

CERTIFICATION

I hereby certify that I have directed the preparation of the enclosed annual report in accordance with the reporting requirements of the State of Arizona.

I have read this report and hereby certify that the information provided is true and correct to the best of my knowledge.

This report has been prepared using the accrual basis of accounting.

Authorized Signature: _____ Date: _____
Print Name and Title: _____

Mail to:
Department of Health Services
Bureau of Emergency Medical Services
Certificate of Necessity and Rates Section
1651 East Morten Avenue, Suite 130
Phoenix, AZ 85020
Telephone: (602) 861-0809
Fax: (602) 861-9812

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Revised 8/2/00

AMBULANCE REVENUE AND COST REPORT

AMBULANCE SERVICE ENTITY: _____

FOR THE PERIOD FROM: _____ **TO:** _____

STATISTICAL SUPPORT DATA

<u>Line No.</u>	<u>DESCRIPTION</u>	<u>(1)</u> <u>SUBSCRIPTION SERVICE TRANSPORTS</u>	<u>*(2)</u> <u>TRANSPORTS UNDER CONTRACT</u>	<u>(3)</u> <u>TRANSPORTS NOT UNDER CONTRACT</u>	<u>(4)</u> <u>TOTALS</u>
01	Number of ALS Billable Transports:	_____	_____	_____	_____
02	Number of BLS Billable Transports	_____	_____	_____	_____
03	Number of Loaded Billable Miles	_____	_____	_____	_____
04	Waiting Time (Hr. & Min.)	_____	_____	_____	_____
05	Total Canceled (Non-Billable) Runs	_____	_____	_____	_____

AMBULANCE SERVICE ROUTINE OPERATING REVENUE

06	ALS Base Rate Revenue				\$ _____
07	BLS Base Rate Revenue				_____
08	Mileage Charge Revenue				_____
09	Waiting Charge Revenue				_____
10	Medical Supplies Charge Revenue				_____
11	Nurses Charge Revenue				_____
12	Standby Charge Revenue (Attach Schedule)				_____
13	TOTAL AMBULANCE SERVICE ROUTINE OPERATING REVENUE				\$ _____

SALARY AND WAGE EXPENSE DETAIL

GROSS WAGES:

		<u>**No. of F.T.E.s</u>
14	Management	\$ _____
15	Paramedics and IEMTs	\$ _____
16	Emergency Medical Technician (EMT).	\$ _____
17	Other Personnel	\$ _____
18	Payroll Taxes and Fringe Benefits - All Personnel.	\$ _____

*This column reports only those runs where a contracted discount rate was applied.

**Full-time equivalents (F.T.E.) Is the sum of all hours for which employees wages were paid during the year divided by 2080.

AMBULANCE REVENUE AND COST REPORT

AMBULANCE SERVICE ENTITY: _____

FOR THE PERIOD FROM: _____ **TO:** _____

SCHEDULE OF REVENUES AND EXPENSES

Line No.	DESCRIPTION	FROM	
OPERATING Revenues:			
01	Total Ambulance Service Operating Revenue	Page 2, Line 13	\$ _____
Settlement Amounts:			
02	AHCCCS		(_____)
03	Medicare		(_____)
04	Subscription Service		(_____)
05	Contractual		(_____)
06	Other		(_____)
07	Total (Sum of Lines 02 through 06)		(_____)
08	Total Operating Revenue (Line 1 minus Line 07)		\$ _____
Operating Expenses:			
09	Bad Debt		
10	Total Salaries, Wages, and Employee- Related Expenses		\$ _____
11	Professional Services		_____
12	Travel and Entertainment		_____
13	Other General Administrative		_____
14	Depreciation		_____
15	Rent/Leasing		_____
16	Building/Station		_____
17	Vehicle Expense		_____
18	Other Operating Expense		_____
19	Cost of Medical Supplies Charged to Patients		_____
20	Interest		_____
21	Subscription Service Sales Expense		_____
22	Total Operating Expense (Sum of Lines 09 through 21)		_____
23	Total Operating Income or Loss (Line 08 minus Line 22)		\$ _____
24	Subscription Contract Sales		_____
25	Other Operating Revenue		_____
26	Local Supportive Funding		_____
27	Other Non-Operating Income (Attach Schedule)		_____
28	Other Non-Operating Expense (Attach Schedule)		_____
29	NET INCOME/(LOSS) (Line 23 plus Sum of Lines 24 through 28)		\$ _____

AMBULANCE REVENUE AND COST REPORT

AMBULANCE SERVICE ENTITY: _____

FOR THE PERIOD FROM: _____ **TO:** _____

BALANCE SHEET

ASSETS

CURRENT ASSETS

01	Cash	\$ _____	
02	Accounts Receivable	_____	
03	Less: Allowance for Doubtful Accounts	_____	
04	Inventory	_____	
05	Prepaid Expenses	_____	
06	Other Current Assets	_____	
07	TOTAL CURRENT ASSETS		\$ _____

PROPERTY & EQUIPMENT

08	Less: Accumulated Depreciation		\$ _____
----	--------------------------------	--	----------

09	OTHER NONCURRENT ASSETS		\$ _____
----	--------------------------------	--	----------

10	TOTAL ASSETS		\$ _____
----	---------------------	--	----------

LIABILITIES AND EQUITY

CURRENT LIABILITIES

11	Accounts Payable	\$ _____	
12	Current Portion of Notes Payable	_____	
13	Current Portion of Long term Debt	_____	
14	Deferred Subscription Income	_____	
15	Accrued Expenses and Other	_____	
16	_____	_____	
17	_____	_____	
18	TOTAL CURRENT LIABILITIES		\$ _____

19	NOTES PAYABLE	_____	
----	----------------------	-------	--

20	LONG TERM DEBT OTHER	_____	
----	-----------------------------	-------	--

21	TOTAL LONG-TERM DEBT		\$ _____
----	-----------------------------	--	----------

EQUITY AND OTHER CREDITS

Paid-in Capital:

22	Common Stock	\$ _____	
23	Paid-In Capital in Excess of Par Value	_____	
24	Contributed Capital	_____	
25	Retained Earnings	_____	
26	Fund Balances	_____	

27	TOTAL EQUITY		\$ _____
----	---------------------	--	----------

28	TOTAL LIABILITIES & EQUITY		\$ _____
----	---------------------------------------	--	----------

AMBULANCE REVENUE AND COST REPORT

AMBULANCE SERVICE ENTITY: _____

FOR THE PERIOD FROM: _____ **TO:** _____

STATEMENT OF CASH FLOWS

OPERATING ACTIVITIES:

01	Net (loss) Income	\$ _____	
	Adjustments to reconcile net income to net cash provided by operating activities:		
02	Depreciation Expense	_____	
03	Deferred Income Tax	_____	
04	Loss (gain) on Disposal of Property and Equipment	_____	
	(Increase) Decrease in:		
05	Accounts Receivable	_____	
06	Inventories	_____	
07	Prepaid Expenses	_____	
	(Increase) Decrease in:		
08	Accounts Payable	_____	
09	Accrued Expenses	_____	
10	Deferred Subscription Income	_____	
11	Net Cash Provided (Used) by Operating Activities	\$ _____	

INVESTING ACTIVITIES:

12	Purchases of Property and Equipment	\$ _____	
13	Proceeds from Disposal of Property and Equipment	_____	
14	Purchases of Investments	_____	
15	Proceeds from Disposal of Investments	_____	
16	Loans Made	_____	
17	Collections on Loans	_____	
18	Other _____	_____	
19	Net Cash Provided (Used) by Investing Activities	\$ _____	

FINANCING ACTIVITIES:

	New Borrowings:		
20	Long-Term	\$ _____	
21	Short-Term	_____	
	Debt Reduction:		
22	Long-Term	_____	
23	Short-Term	_____	
24	Capital Contributions	_____	
25	Dividends paid	_____	
26	Net Cash Provided (Used) by Financing Activities	\$ _____	
27	Net Increase (Decrease) in Cash	\$ _____	
28	Cash at Beginning of Year	\$ _____	
29	Cash at End of Year	\$ _____	

30 SUPPLEMENTAL DISCLOSURES:

	Non-cash Investing and Financing Transactions:		
31	_____	\$ _____	
32	_____	_____	
33	Interest Paid (Net of Amounts Capitalized)	_____	
34	Income Taxes Paid	_____	

INSTRUCTIONS

Page 1: COVER

1. Enter the name of the ambulance service on the line "Reporting Ambulance Service."
2. Print the name and title of the ambulance service's authorized representative on the lines indicated; enter the date of signature; authorized representative must sign the report.

Page 2: STATISTICAL SUPPORT DATA and ROUTINE OPERATING REVENUE

Enter the ambulance service's business name and the appropriate reporting period.

Statistical Support Data:

- Lines 01-02: Enter the number of billable ALS and BLS transports for each of the three categories. Subscription Service Transports should not be included with Transports Under Contract.
- Lines 03-04: Enter the total of patient loaded transport miles and waiting times for each of the transport categories.
- Line 05: List TOTAL of canceled/non-billable runs.

Ambulance Service Routine Operating Revenue:

- Line 06: Enter the total amount of all ALS Base Rate gross billings.
- Line 07: Enter the total amount of all BLS Base Rate gross billings.
- Line 08: Enter the total of Mileage Charge gross billings.
- Line 09: Enter the total Waiting Time gross billings.
- Line 10: Enter the total of all gross billings of Medical Supplies to patients.
- Line 11: RESERVED FOR FUTURE USE - Charges for Nurses currently are not allowed.
- Line 12: Enter the total of all Standby Time charges. (Attach a schedule showing sources.)
- Line 13: Add the totals from Line 06 through Line 12. Enter sum on Line 13.

Salary and Wage Expense Detail:

- Line 14: Enter the total salary amount allocated and paid to Management of the ambulance service.
- Line 15: Enter the total salary amount allocated and paid to Paramedics and IEMTs.
- Line 16: Enter the total salary amount allocated and paid to Emergency Medical Technicians (EMTs).
- Line 17: Enter the total salary amount allocated and paid to Other Personnel involved with the ambulance service. (Examples: Dispatch, Mechanics, Office)
- Line 18: Enter the total allocated amount of Payroll Taxes and Fringe Benefits paid to employees included in lines 14 through 17.

ANNUAL AMBULANCE FINANCIAL REPORT

EXPENSE CATEGORIES FOR USE ON PAGE 3

- Line 09 Bad Debt
- Line 10 Total Salaries, Wages, and Employee-Related Expenses
 - Salaries, Wages, Payroll Taxes, and Employee Benefits
- Line 11 Professional Services
 - Legal/Management Fees
 - Collection Fees
 - Accounting/Auditing
 - Data Processing Fees
- Line 12 Travel and Entertainment (Administrative)
 - Meals and Entertainment
 - Travel/Transportation
- Line 13 Other General and Administrative
 - Office Related (Supplies, Phone, Postage, Advertising)
 - Professional Liability Insurance
 - Dues, Subscriptions, Miscellaneous
- Line 14 Depreciation
- Line 15 Rent/Leasing
- Line 16 Building/Station
 - Utilities, Property Taxes/Insurance, Cleaning/Maintenance
- Line 17 Vehicle Expenses
 - License/Registration
 - Repairs/Maintenance
 - Insurance
- Line 18 Other Operating Expenses
 - Dispatch Contracts
 - Employee Education/Training, Uniforms, Travel/Meals
 - Maintenance Contracts
 - Minor Equipment, Non-Chargeable Ambulance Supplies
- Line 19 Cost of Medical Supplies Charged to Patients
- Line 20 Interest Expense
 - Interest on: Bank Loans/Lines of Credit
- Line 21 Subscription Service Sales Expenses
 - Sales Commissions, Printing

INSTRUCTIONS (cont'd)

Page 3: SCHEDULE OF REVENUES AND EXPENSES

Operating Revenues:

- Line 01: Transfer appropriate total from Page 2 as indicated.
- Line 02: Enter settlement amounts from AHCCCS transports. (DO NOT include settlement amounts resulting from a transport made under a SUBSCRIPTION SERVICE CONTRACT)
- Line 03: Enter settlement amounts from Medicare transports. (DO NOT include settlement amounts resulting from a transport made under a SUBSCRIPTION SERVICE CONTRACT)
- Line 04: Enter total of ALL settlement amounts from Subscription Service Contract transports.
- Line 05: Enter total of ALL settlement amounts from Contractual transports only.
- Line 06: Enter total from any other settlement sources.
- Line 07: Enter sum of lines 02 through 06.
- Line 08: Total Operating Revenue (The amount from Line 01 minus Line 07).

Operating Expenses:

- Lines 09-21: Report as either actual or allocated from expenses shared with Fire or other departments.
- Line 22: Enter the total sum of lines 09 through 21.
- Line 23: Enter the difference of line 08 minus line 22.
- Line 24: Enter the gross amount of sales from Subscription Service Contracts.
- Line 25: Enter the amount of Other Operating Revenues.
Ex: Federal, State or Local Grants, Interest Earned, Patient finance Charges.
- Line 26: Enter the total of Local Supportive Funding.
- Line 27: List other non-operating revenues (Ex: Donations, sales of assets, fund raisers).
- Line 28: List other non-operating expenses (Ex: Civil fines or penalties, loss on sale of assets).
- Line 29: Net Income (Line 23 plus Lines 24 through 27, minus Line 28).

Page 4: BALANCE SHEET

Current audited financial statements may be submitted in lieu of this page.

Page 5: STATEMENT OF CASH FLOWS

Current audited financial statements may be submitted in lieu of this page

Questions regarding this reporting form can be submitted to:

Arizona Department of Health Services
Bureau of Emergency Medical Services
Certificate of Necessity and Rates Section

1651 E. Morten, Suite 130
Phoenix, AZ 85020
PH: (602) 861-0809
FAX (602) 861-9812

NOTICE OF PROPOSED RULEMAKING

TITLE 18. ENVIRONMENTAL QUALITY

**CHAPTER 9. DEPARTMENT OF ENVIRONMENTAL QUALITY
WATER POLLUTION CONTROL**

PREAMBLE

- | | |
|------------------------------------|---------------------------------|
| 1. <u>Sections Affected</u> | <u>Rulemaking Action</u> |
| Article 5
R18-9-501 | New Article
New Section |
- 2. The specific authority for the rulemaking, including both the authorizing statute (general) and the statutes the rules are implementing (specific):**
Authorizing statute: A.R.S. § 49-202.01
Implementing statute: A.R.S. § 49-202.01
- 3. A list of all previous notices appearing in the Register addressing the final rule:**
Notice of Rulemaking Docket Opening: 6 A.A.R. 4125, October 27, 2000
- 4. The name and address of agency personnel with whom persons may communicate regarding the rulemaking:**

Name: Shirley J. Conard

Address: Arizona Department of Environmental Quality
3033 North Central Avenue, M0401A-422
Phoenix, Arizona 85012-2809

Telephone: (602) 207-4632

Fax: (602) 542-4674

E-Mail: conard.shirley@ev.state.az.us

5. An explanation of the rule, including the agency's reasons for initiating the rule:

Polluted runoff from nonpoint sources is the largest source of pollution in Arizona's impaired streams, rivers, and lakes. Grazing livestock near Arizona's waterbodies can impact water quality by eroding streambanks, causing increased sedimentation, turbidity, and nutrients, thus effecting aquatic wildlife. In addition, there may be increases in coliform bacteria, a direct threat to public health. Implementation of voluntary best management practices will help reduce these impacts of polluted runoff and help clean-up Arizona's impaired waterbodies.

The Legislature directed the Department to adopt, by rule, a program to control nonpoint source discharges of any pollutant or combination of pollutants into navigable waters. (A.R.S. § 49-203(A)(3))

As part of these duties, the Department must implement a Surface Water Quality General Grazing Permit consisting of voluntary best management practices for grazing activities. (A.R.S. § 49-202.01) This implementation begins within 180 days after rule adoption by the Grazing Best Management Practices Advisory Committee.

The Grazing Best Management Practices Advisory Committee, established under A.R.S. § 49-202.02, met several times during the year 2000. Four voluntary best management practices were developed by the Committee for persons engaging in livestock grazing. The practices, ranging from managing grazing activities, installing rangeland improvements, and implementing land treatments, have the goal of maintaining soil cover and preventing accelerated erosion, nitrogen discharges, and bacterial impacts to surface waters above natural background amounts to help achieve Surface Water Quality Standards.

The terms and conditions of the Surface Water Quality General Grazing Permit is voluntary best management practices, determined by the committee, to be the most practical and effective means of reducing or preventing the non-point source discharge of pollutants into navigable waters by grazing activities. (A.R.S. § 49-202.01(B)) "*Grazing activities*" means the feeding of all classes of domestic ruminant and nonruminant animals upon grasses, forbs, and shrubs in Arizona watersheds. (A.R.S. § 49-202.01(D))

Arizona Administrative Register
Notices of Proposed Rulemaking

In adopting voluntary grazing best management practices A.R.S. § 49-202.01(C) requires the committee to consider:

1. The availability and effectiveness of alternative technologies,
2. The economic and social impacts of alternative technologies on grazing and associated industries,
3. The institutional considerations of alternative technologies, and
4. The potential nature and severity of discharges from grazing activities and their effect on navigable waters.

6. A reference to any study that the agency relies on in its evaluation of or justification for the rule and where the public may obtain or review the study, all data underlying each study, any analysis of the study and other supporting material.

None

7. A showing of good cause why the rule is necessary to promote a statewide interest if the rule will diminish a previous grant of authority of a political subdivision of this state:

Not applicable

8. The preliminary summary of the economic, small business, and consumer impact:

The Department recently completed a Water Quality Improvement Plan as part of the Total Maximum Daily Load allocation analysis for Nutrioso Creek on the Little Colorado River watershed. Working with the Department, the Nutrioso Creek Watershed group, which consists of local ranchers, developed an implementation plan consisting of riparian restoration and streambank stabilization activities. The Nutrioso Creek Watershed group believes the voluntary best management practices implemented on the Nutrioso Creek will not only reduce the problems of turbidity, but help improve ranching economics.

Proposing voluntary best management practices in this rulemaking allows various strategies to be implemented to help clean surface waters to meet and maintain water quality standards and makes long term economic sense for the rancher.

A. Estimated Costs and Benefits to the Department of Environmental Quality.

No costs are realized by the Department as a result of this rulemaking.

The request for information under subsection (B) allows the Department access to a permittee's records if an investigation must be implemented regarding the origination of polluted runoff from a nonpoint source.

B. Estimated Costs and Benefits to Political Subdivisions.

Political subdivisions of this state are not directly affected by the implementation and enforcement of this rulemaking.

C. Businesses Directly Affected By the Rulemaking. (Any person engaged in livestock grazing activities.)

The terms and conditions of the Surface Water Quality General Grazing Permit are voluntary and most people who will participate in the program already use one or more of the voluntary best management practices listed in the rule.

Requiring a permittee to make the information specified under subsection (B) available for Department inspection will allow the permittee to verify compliance with the program. Most persons who engage in livestock grazing currently maintain some type of recordkeeping to evidence management methods.

The Grazing Best Management Practices Advisory Committee believe the voluntary best management practices specified under this rulemaking are currently part of a typical livestock/ranch management plan. Therefore, in most cases there will be no costs associated with implementing this rulemaking to comply with the terms of the Surface Water Quality General Grazing Permit.

D. Estimated Costs and Benefits to Private and Public Employment.

Private and public employment are not directly affected by the implementation and enforcement of this rulemaking.

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E. *Estimated Costs and Benefits to Consumers and the Public.*

Consumers and the public are not directly affected by the implementation and enforcement of this rulemaking. However, this general licensing program will make the public aware that ranchers who comply with the voluntary best management procedures established in this rulemaking are committed to reducing or preventing the nonpoint source discharge of pollutants into navigable waters by grazing activities.

F. *Estimated Costs and Benefits to State Revenues.*

This rulemaking will have no impact on state revenues.

9. The name and address of agency personnel with whom persons may communicate regarding the accuracy of the economic, small business, and consumer impact statement:

Name: Shirley J. Conard
Address: Arizona Department of Environmental Quality
3033 North Central Avenue, MO401A-422
Phoenix, Arizona 85012-2809
Telephone: (602) 207-4632
Fax: (602) 207-4674
E-Mail: conard.shirley@ev.state.az.us

10. The time, place, and nature of the proceedings for the adoption, amendment, or repeal of the rule, or if no proceeding is scheduled, where, when, and how persons may request an oral proceeding on the proposed rule:

Date: January 8, 2001
Time: 9:00 a.m.
Location: Arizona Department of Environmental Quality
3033 North Central Avenue, Suite 1706
Phoenix, Arizona 85012-2809
Nature: Oral Proceeding

Written comments on the proposed rules or preliminary economic, small business, and consumer impact statement must be received by 4:00 p.m., January 10, 2001.

Persons with a disability may request a reasonable accommodation, such as a sign language interpreter, by contacting the Department's coordinator, Katie Hubner, at (602) 207-4794 (voice) or 1-800-367-3839 (TDD Relay). Requests should be made as early as possible to allow time to arrange the accommodation.

11. Any other matters prescribed by statute that are applicable to the specific agency or to any specific rule or class of rules:

None

12. Incorporations by reference and their location in the rules:

None

13. Was this rule previously adopted as an emergency rule:

No

14. The full text of the rules follows:

TITLE 18. ENVIRONMENTAL QUALITY

**CHAPTER 9. DEPARTMENT OF ENVIRONMENTAL QUALITY
WATER POLLUTION CONTROL**

ARTICLE 5. GRAZING BEST MANAGEMENT PRACTICES

R18-9-501. Surface Water Quality General Grazing Permit

ARTICLE 5. GRAZING BEST MANAGEMENT PRACTICES

R18-9-501. Surface Water Quality General Grazing Permit

- A.** A person who engages in livestock grazing and applies any of the following applicable voluntary best management practices is issued a Surface Water Quality General Grazing Permit:
1. Manages the location, timing, and intensity of grazing activities to maintain soil cover and prevent accelerated erosion, nitrogen discharges, and bacterial impacts to surface waters above the natural background amounts to help achieve Surface Water Quality Standards;
 2. Installs rangeland improvements, such as fences, water developments, trails, and corrals, to maintain soil cover and prevent accelerated erosion, nitrogen discharges, and bacterial impacts to surface waters above the natural background amounts to help achieve Surface Water Quality Standards;
 3. Implements land treatments to maintain soil cover and prevent accelerated erosion, nitrogen discharges, and bacterial impacts to surface waters above the natural background amounts to help achieve Surface Water Quality Standards;
 4. Implements supplemental feeding, salting, and parasite control measures to maintain soil cover and prevent accelerated erosion, nitrogen discharges, and bacterial impacts to surface waters, above the natural background amounts to help achieve Surface Water Quality Standards.
- B.** The person shall make the following information available to the Department, at the person's site, within 10 business days of Department notice:
1. The name and address of the person grazing livestock, and
 2. The best management practices selected for livestock grazing.

NOTICE OF PROPOSED RULEMAKING

TITLE 20. COMMERCE, BANKING, AND INSURANCE

CHAPTER 4. BANKING DEPARTMENT

PREAMBLE

- | | |
|------------------------------------|---------------------------------|
| <u>1. Sections Affected</u> | <u>Rulemaking Action</u> |
| R20-4-401 | Amend |
- 2. The specific statutory authority for the rulemaking, including both the authorizing statute (general) and the statutes the rules are implementing (specific):**
Authorizing statute: A.R.S. § 6-123(2)
Implementing statutes: A.R.S. §§ 6-537(A)(1) and 6-537(C)
- 3. A list of all previous notices appearing in the Register addressing the proposed rule:**
Notice of Rulemaking Docket Opening: 6 A.A.R. 1812, May 19, 2000
- 4. The name and address of agency personnel with whom persons may communicate regarding the rulemaking:**
- | | |
|------------|---|
| Name: | John P. Hudock |
| Address: | 2910 North 44th Street, Suite 310
Phoenix, Arizona 85018 |
| Telephone: | (602) 255-4421, Ext. 167 |
| Fax: | (602) 381-1225 |
| E-Mail: | jhudock@azbanking.com |
- 5. An explanation of the rule, including the agency's reasons for initiating the rule:**
This rule regulates the fidelity bond coverage of state-chartered Credit Unions. In its 5-Year-Rule-Review Report approved November 3, 1998, the Department proposed to overhaul this Section to bring it into conformity with modern rule-writing standards. This proceeding is intended to fulfill that promise.
- 6. A reference to any study that the agency proposes to rely on in its evaluation of or justification for the proposed rule and where the public may obtain or review the study, all data underlying each study, any analysis of the study, and other supporting material:**

The Department does not propose to rely on any study as an evaluator or justification for the proposed rule.

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7. A showing of good cause why the rule is necessary to promote a statewide interest if the rule will diminish a previous grant of authority of a political subdivision of this state:

Not applicable

8. The preliminary summary of the economic, small business, and consumer impact:

A. The Banking Department

The Department does not expect to experience any adverse economic impact. It will bear the administrative and human resources cost of this rulemaking. The amendment of this rule will not result in any significant cost savings for the Department. It will continue to bear the costs of enforcing the same requirements on its licensees. The increased clarity of the amended rule will make it marginally easier to understand and enforce.

B. Other Public Agencies

The state will incur normal publishing costs incident to rulemaking.

C. Private Persons and Businesses Directly Affected

Costs of services will not increase to any measurable degree. Nor should these revisions increase any licensee's cost of doing business in compliance with these rules.

D. Consumers

No measurable effect on consumers is expected.

E. Private and Public Employment

The Department expects no measurable effect on private and public employment.

F. State Revenues

This rulemaking will not change state revenues.

9. The name and address of agency personnel with whom persons may communicate regarding the accuracy of the economic, small business, and consumer impact statement:

Name: John P. Hudock
Address: 2910 North 44th Street, Suite 310
Phoenix, Arizona 85018
Telephone: (602) 255-4421, Ext. 167
Fax: (602) 381-1225
E-Mail: jhudock@azbanking.com

10. The time, place, and nature of the proceedings for the making, amendment, or repeal of the rule or, if no proceeding is scheduled, where, when, and how persons may request an oral proceeding on the proposed rule:

No oral proceedings are scheduled. The Department will schedule an oral proceeding on the proposed rule if it receives a written request for a proceeding within 30 days after the publication date of this notice, under the provisions of A.R.S. § 41-1023(C). Send requests to the Department personnel listed in this preamble's questions 4 and 9. The Department invites and will accept written comments on the proposed rule or the preliminary economic, small business, and consumer impact statement. Submit comments during regular business hours, at the address listed in this preamble's question 9, until the close of the record for this proposed rulemaking. The record will close on the 31st day following publication of this notice, unless the Department schedules an oral proceeding.

11. Any other matters prescribed by statute that are applicable to the specific agency or to any specific rule or class of rules:

Not applicable

12. Incorporations by reference and their location in the rules:

None

13. The full text of the rules follows:

TITLE 20. COMMERCE, BANKING AND INSURANCE

CHAPTER 4. BANKING DEPARTMENT

ARTICLE 4. CREDIT UNIONS

R20-4-401. Fidelity Bond Coverage ~~—A.R.S. § 6-537~~

ARTICLE 4. CREDIT UNIONS

R20-4-401. Fidelity Bond Coverage ~~—A.R.S. § 6-537~~

- A. ~~A~~ The credit union shall have a fidelity bond in ~~the~~ such form and ~~in the~~ in such amount required ~~as to meet the requirements necessary to for maintain maintaining~~ federal insurance on its accounts.
- B. ~~A~~ All fidelity bond ~~bonds~~ purchased by a licensee to comply with this Section shall ~~must include~~ provide for faithful-performance-of-duty coverage.
- C. ~~A~~ credit union shall obtain its fidelity bond solely from an insurer that holds a certificate of authority from the Arizona Director of Insurance to transact surety business in Arizona. ~~All sureties writing credit union bonds must be authorized by the Director of Insurance for the state of Arizona as an acceptable surety on bonds in the state.~~

NOTICE OF PROPOSED RULEMAKING

TITLE 20. COMMERCE, BANKING, AND INSURANCE

CHAPTER 8. GREATER ARIZONA DEVELOPMENT AUTHORITY

PREAMBLE

1. Sections Affected

R20-8-101
R20-8-102
R20-8-103
R20-8-104
Table A
R20-8-201
R20-8-202
R20-8-203

Rulemaking Action

Amend
Amend
Amend
Amend
Amend
Amend
Amend
Amend

2. The specific authority for the rulemaking, including both the authorizing statute (general) and the statutes the rules are implementing (specific):

Authorizing statute: A.R.S. § 41-1554.04

Implementing statutes: A.R.S. §§ 41-1554.04 and 41-1554.05

3. A list of all previous notices appearing in the register addressing the proposed rule:

Notice of Rulemaking Docket Opening: 6 A.A.R. 3656, September 22, 2000

4. The name and address of agency personnel with whom persons may communicate regarding the rulemaking:

Name: Tom Belshe, Executive Director
Address: Greater Arizona Development Authority
3800 North Central Avenue, Suite 1650
Phoenix, Arizona 85012
Telephone: (602) 280-8121
Fax: (602) 280-8145

5. An explanation of the rule, including the agency's reasons for amending the rule:

During its 1997 session, the Arizona State Legislature established the Greater Arizona Development Authority (Authority) for the purpose of making funds available to provide technical assistance to infrastructure projects of political subdivisions, Indian tribes, and special districts, and financial assistance for infrastructure projects of political subdivisions, Indian tribes, and special districts. The proposed rule amendments accomplish the following:

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- (1) Allows political subdivisions of Indian tribes (i.e. chapters, villages, districts) to compete for technical assistance awards. This change was brought about by passage of SB 1086 during the 2000 legislative session.
- (2) Allows the ex-officio board members of the Authority to assign designees to the board of directors. This change was brought about by passage of SB 1086 during the 2000 legislative session.
- (3) Removes “managerial support capacity” as a criterion to determine if an application for technical assistance is an eligible application.
- (4) Provides staff of the Authority more flexibility in setting and extending application deadline dates for the technical and financial assistance programs.
- (5) Provides staff of the Authority more flexibility in determining what information is necessary to determine if an application for technical or financial assistance is an “eligible application”.

Senate Bill 1086 was passed during the 2000 Arizona Legislature and the bill makes one very significant change to GADA’s technical assistance program. The bill, which was supported by the Navajo, Hopi, and Tohono O’odham Nations, allows tribal subdivisions, which now have more responsibility for local infrastructure needs, to compete for GADA technical assistance awards. By allowing tribal subdivisions to compete for technical assistance awards, the technical assistance program provides more relevant help to the tribes.

A.R.S. § 41-1554.04 provides that the Authority shall establish application forms for technical assistance, a procedure to review and approve or disapprove applications for technical assistance, criteria by which technical assistance will be awarded, and a means to prioritize applications for technical assistance. A.R.S. § 41-1554.05(D) provides that the Authority shall establish an application process and method of determining the allocation of technical assistance in accordance with A.R.S. § 41-1554.04. The other proposed amendments would strengthen the process for determining the eligibility of technical and financial assistance applications by providing more flexibility for the staff of the authority to require certain information of the applicant dependent on the nature of the project. It also removes the requirement that staff use financial and managerial capacity information provided by the applicant to determine if the application for technical assistance is an “eligible application.” Information concerning financial and managerial capacity will be used as a priority criterion for awarding assistance.

6. A reference to any study that the agency proposes to rely on in its evaluation of or justification for the proposed rule and where the public may obtain or review the study, all data underlying each study, any analysis of the study and other supporting material:

None

7. A showing of good cause why the rule is necessary to promote a statewide interest if the rule will diminish a previous grant of authority of a political subdivision of this state:

The rule does not diminish a previous grant of authority to a political subdivision of this state.

8. The preliminary summary of the economic, small business, and consumer impact:

The impact is expected to be positive. While small business and consumers may have user rates and fees increased to pay for the new infrastructure financed by the Greater Arizona Development Authority, the net effect is expected to be positive for two reasons:

- (1) The projects will be developed faster with GADA participation, accelerating the benefits to the local community.
- (2) The Authority will provide financial support and technical assistance to local communities for infrastructure development.

Because of the wide range of possible projects with varying local impacts, it is difficult to estimate or generalize about the potential economic impact of the Authority. It can be said that the Authority’s beneficial contribution will be in the acceleration of the development of necessary projects. In some cases, assistance can accelerate a project, reducing the time for the community to begin using the infrastructure, improving the economic well being of residents as well as the overall quality of life.

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9. The name and address of agency personnel with whom persons may communicate regarding the accuracy of the economic, small business, and consumer impact statement:

Name: Tom Belshe, Executive Director
Address: Greater Arizona Development Authority
3800 North Central Avenue, Suite 1650
Phoenix, Arizona 85012
Telephone: (602) 280-8121
Fax: (602) 280-8145

10. The time, place, and nature of the proceedings for the adoption, amendment, or repeal of the rules or, if no proceeding is scheduled, where, when, and how persons may request an oral proceeding on the proposed rules:

A person may submit written comments on the proposed rules or preliminary economic, small business, and consumer impact statement to the person listed above no later than 5 p.m., December 30, 2000. Oral proceedings are scheduled as follows:

Date: December 26, 2000
Time: 1:30 p.m.
Location: Greater Arizona Development Authority
Conference Room
3800 North Central Avenue, Building D
Phoenix, Arizona 85012
Nature: Public hearing to receive oral comments

The close of record has been extended to December 30, 2000, from the date listed in the Notice of Rulemaking Docket Opening: 6 A.A.R. 3656, September 22, 2000 which was November 20, 2000.

11. Any other matters prescribed by statute that are applicable to the specific agency or to any specific rule or class of rules:

Not applicable

12. Incorporations by reference and their location in the rules:

None

13. The full text of the rules follows:

TITLE 20. COMMERCE, BANKING, AND INSURANCE

CHAPTER 8. GREATER ARIZONA DEVELOPMENT AUTHORITY

ARTICLE 1. TECHNICAL ASSISTANCE

R20-8-101. Definitions
R20-8-102. Application Process
R20-8-103. Eligibility Criteria
R20-8-104. Priority; Approval and Disapproval; Protest
Table A. Priority Criteria – Project Development Account
Table B. Priority Criteria – Project Assistance Account

ARTICLE 2. FINANCIAL ASSISTANCE

R20-8-201. Definitions
R20-8-202. Application Process
R20-8-203. Eligibility Criteria

ARTICLE 1. TECHNICAL ASSISTANCE

R20-8-101. Definitions

In addition to the definitions prescribed in A.R.S. § 41-1554, the following definitions apply in this Article:

1. “Administratively complete” means that an applicant has completed the application for technical assistance and provided all of the ~~required~~ information that staff determines is applicable.

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2. "Applicant" means a political subdivision, special district, ~~or~~ Indian tribe, or tribal subdivision that applies to the Authority for technical assistance.
3. "Authority" means the Greater Arizona Development Authority.
4. "Board" means the board of directors of the Authority or their designees.
5. "Economic impact summary" means an economic analysis that establishes the economic context for a project based on information provided by the applicant.
6. "Economic overview" means an economic analysis that establishes the economic context for a project based on public data and information provided by the applicant.
7. "*Infrastructure*" means any facility located in this state for public use and owned by a political subdivision, special district or Indian tribe that retains ultimate responsibility for its operation and maintenance. A.R.S. § 41-1154(6).
8. "Project" means the whole, or any distinguishable segment or segments, of publicly owned infrastructure for which technical assistance is being requested or provided.
9. "Project Assistance Account" means an account within the Technical Assistance Program of the Authority designed to provide technical assistance for eligible infrastructure projects that are in the final phases of project development.
10. "Project Development Account" means an account within the Technical Assistance Program of the Authority designed to provide technical assistance to eligible infrastructure projects that are in the early or exploratory phases of project development.
11. "Staff" means the Executive Director and the Finance Director of the Authority.
12. "Technical assistance round" means a period of time established by the Board during which applications for technical assistance are sent to potential applicants, returned to the Authority, analyzed by Staff, and submitted to the Board for approval or disapproval.
13. "Tribal subdivision" means any chapter, district or village that is recognized by an Indian tribe by resolution or through tribal constitution and that receives technical assistance. A.R.S. § 41-1554(14).

R20-8-102. Application Process

- A. The Board shall annually establish a due date by which applications for technical assistance shall be submitted for each technical assistance round, and the number of technical assistance rounds to be held in a given state fiscal year. To the extent it deems necessary, the Board may extend the due date by which applications for technical assistance shall be submitted.
- B. The Authority shall send solicitation letters to potential applicants at least 60 days before applications are due. Other interested persons may submit requests to the Authority to be placed on a mailing list to be utilized by the Authority in sending out solicitation letters.
- C. An applicant shall provide ~~the following information~~ to the Authority by the established due date for applications on a form provided by the Authority any of the following information that the staff determines is applicable:
 1. Contact information for the applicant, including name, address, and telephone number;
 2. A description of the type of technical assistance being requested and an estimate of the cost of the technical assistance;
 3. A detailed description of the project;
 4. A summary of the anticipated economic impact the project will have on the community as estimated by the applicant;
 5. The estimated starting date, completion date, and projected cost of the infrastructure project for which the technical assistance is being requested;
 6. The projected sources and uses of funds for the infrastructure project, including public and private in-kind contributions;
 7. A list of professional and outside service providers who have worked with the applicant on any part of the project; ~~and~~ or
 8. An indication of whether the application is for monies from the Project Development Account or the Project Assistance Account.
- D. In addition to the application required in subsection (C), an applicant shall provide ~~the following information~~ to the Authority by the established due date for such applications any of the following information that the staff determines is applicable:
 1. A planning document specific to the locality of the project for which the technical assistance is being requested that includes the project, such as a capital improvement plan, local strategic plan, or similar planning document or evidence that the project has been discussed in meetings or in study sessions of the governing body of the applicant;
 2. If the project is listed on the project priority list of the Water Infrastructure Finance Authority or on the Department of Transportation's Five-Year State Plan, a document evidencing this fact;
 3. A resolution from the governing body of the applicant stating the following:
 - a. The project is in the best interests of the residents;
 - b. The estimated economic impact on the community; ~~and~~
 - c. The commitment of local funds, if applicable; or

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4. If the applicant is a tribal subdivision,
 - a. A resolution from the tribal council in support of the tribal subdivision's technical assistance application; or
 - b. Certification by the tribal council that the tribal subdivision may enter into intergovernmental agreements with state agencies without further tribal council action.

4.5. The applicant's most recent financial statements.

- E. Staff shall analyze each application received on or prior to the due date for applications for technical assistance to determine whether the application is administratively complete and whether an applicant meets the eligibility criteria prescribed in R20-8-103. Applications for technical assistance which are determined to be both administratively complete and eligible for technical assistance under R20-8-103 shall be submitted to the Board for prioritization and possible funding. Applications which are either not administratively complete or do not meet the criteria in R20-8-103 shall not be submitted to the Board.

R20-8-103. Eligibility Criteria

To be eligible to receive technical assistance, an applicant shall satisfy the following criteria:

1. The applicant is a political subdivision, Indian tribe, tribal subdivision or special district;
2. The technical assistance requested is for the development or financing of an infrastructure project;
3. The application is administratively complete;
4. The applicant provides evidence that the project has public support;
5. The applicant provides evidence that the project is part of an adopted comprehensive plan, for example, a capital improvement plan, a local strategic plan, or similar planning document or evidence that the project has been discussed in meetings or in study sessions of the governing body of the applicant;
- ~~6. The applicant has the capacity to provide managerial support to the project;~~
- ~~67.~~ The cost of the technical assistance does not exceed 10% of the total cost of the final project;
- ~~78.~~ The applicant does not have an award agreement for technical assistance with the Authority; and
- ~~89.~~ The applicant is not requesting technical assistance for a project that has already received funds from the Financial Assistance Program.

R20-8-104. Priority; Approval and Disapproval; Protest

- A. The Authority shall request the Department of Commerce prepare an economic overview for each of the projects eligible for technical assistance that establishes the economic context for the project.
- B. During each technical assistance round, the Board shall determine the order and priority of infrastructure projects, for both the Project Development Account and the Project Assistance Account, for which an eligible application for technical assistance has been received. For the Project Development Account, the Board shall use a scale of 75 points maximum for all applications based on the criteria in Table A. For the Project Assistance Account, the Board shall use a scale consisting of 95 points maximum for tribal applications and a scale consisting of 100 points maximum for all other applications based on the criteria in Table B. Application scores shall then be prioritized based on a percentage of the points received to total points possible.
- C. Applications for monies from the Project Development Account with tied scores shall be prioritized by comparing the scores that each application received in Table A under the following categories in descending order of importance:
1. Evidence of local support for the project;
 2. Evidence of the project's impact on the community; and
 3. Evidence of sufficient that financial and managerial capacity to operate and maintain the project will be researched and will be developed as part of the requested technical assistance.
- D. The prioritization under subsection (C) is as follows:
1. The tied application with the higher score under subsection (C)(1) shall have priority over other applications;
 2. If the tied applications have the same score under subsection (C)(1), the application with the higher score under subsection (C)(2) shall have priority over the other applications;
 3. If the tied applications have the same score under subsections (C)(1) and (C)(2), the application with the higher score under subsection (C)(3) shall have priority over the other applications;
 4. If the tied applications have the same score under subsections (C)(1), (C)(2), and (C)(3), the Board shall determine the priority of the applications.
- E. Applications for monies from the Project Assistance Account with tied scores shall be prioritized by comparing the scores that each application received in Table B under the following categories in descending order of importance:
1. Evidence of local support for the project;
 2. Evidence of a permanent funding source for the project;
 3. Evidence of the project's impact on the community; and
 4. Evidence of sufficient financial and managerial capacity to operate and maintain the project.
- F. The prioritization under subsection (E) is as follows:
1. The tied application with the higher score under subsection (E)(1) shall have priority over other applications;

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2. If the tied applications have the same score under subsection (E)(1), the application with the higher score under subsection (E)(2) shall have priority over the other applications;
 3. If the tied applications have the same score under subsections (E)(1) and (E)(2), the application with the higher score under subsection (E)(3) shall have priority over the other applications;
 4. If the tied applications have the same score under subsections (E)(1), (E)(2) and (E)(3), the application with the higher score under subsection (E)(4) shall have priority over the other applications;
 5. If the tied applications have the same score under subsections (E)(1), (E)(2), (E)(3) and (E)(4), the Board shall determine the priority of the applications.
- G.** The Board shall approve or disapprove each eligible application for technical assistance based upon the priority list and available funding for technical assistance. The Board may fund all or a portion of a technical assistance request.
- H.** The Authority shall mail the Board’s written determination to each applicant within 90 days after the date that all applications for technical assistance are due.
- I.** For each approved project, the Authority shall establish a date by which the commitment of the Authority to provide technical assistance expires. The Authority shall not provide technical assistance for an approved project if the applicant does not complete all agreements with the Authority on or before that date.
- J.** The Authority shall bypass a project within a technical assistance round and offer funding to the next highest-ranking project if the project is not ready to proceed within the next 6-month period after the award date.
- K.** An applicant whose project for technical assistance is disapproved may file a protest with the Board as follows:
1. The applicant shall submit its reasons for protesting the decision of the Board, in writing, within 20 days of the date of the Board’s written determination, in a letter addressed to the Chairperson of the Board, with a copy to the Executive Director of the Authority.
 2. The Authority shall review the substance of the protest and respond, in writing, by mail, to the applicant, within 30 days. Staff shall distribute a copy of the response to the Board.
 3. Upon receipt of the Authority’s written response, the applicant may request an opportunity to make a direct presentation to the Board. Staff shall schedule the presentation for the next regular Board meeting.
 4. Following the applicant’s presentation, the Board shall decide whether to review the applicant’s request for technical assistance. Within 30 days after the presentation, the Board shall, in writing, notify the applicant of its final decision regarding the applicant’s request for technical assistance.

Table A. Priority Criteria – Project Development Account

Priority Criteria – PROJECT DEVELOPMENT ACCOUNT		Point Total
1. Evidence of local support for the project based on the following:		30 points
The project is included in the General Plan, Capital Improvement Plan, or other similar planning document of the applicant or has been discussed in meetings or study sessions of the applicant’s governing board.	Up to 15 points	
The project has public/private partnerships that will provide financial or in-kind services.	Up to 10 points	
The project has received a resolution of support from the governing board of the applicant.	5 points	
2. Evidence of the project’s impact on the community based on the following:		30 points
An economic impact summary as prepared and submitted by the applicant.	Up to 10 points	
The project addresses health, safety, and welfare issues.	Up to 10 points	
An economic overview prepared by the Department of Commerce.	Up to 5 points	
The applicant has not previously received funding from the GADA Technical Assistance Program.	5 points	
3. Evidence of sufficient that information regarding financial and managerial capacity necessary to operate and maintain the project will be researched and will be developed as part of the requested technical assistance.	Up to 15 points	15 points
Maximum Point Total		75 points

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Table B. Priority Criteria – Project Assistance Account

Priority Criteria – PROJECT ASSISTANCE ACCOUNT		Point Total
1. Evidence of local support for the project based on the following:		35 points
The project is included in the General Plan, Capital Improvement Plan, or other similar planning document of the applicant or has been discussed in meetings or study sessions of the applicant’s governing board.	Up to 15 points	
The project has public/private partnerships that provide financial or in-kind services.	Up to 10 points	
The project has received a resolution of support from the governing board of the applicant.	5 points	
The project has received voter authorization.*	5 points	
2. Evidence of the project’s impact on the community based on the following:		30 points
An economic impact summary as prepared and submitted by the applicant.	Up to 10 points	
The project addresses health, safety, and welfare issues.	Up to 10 points	
An economic overview prepared by the Department of Commerce	Up to 5 points	
The applicant has not previously received funding from the GADA Technical Assistance program.	5 points	
3. Evidence of a permanent funding source for the project:		20 points
The project is a likely candidate for a GADA Financial Assistance loan.	Up to 10 points	
A revenue stream has been identified to pay for the project.	5 points	
A funding source has been identified for the project.	5 points	
4. Evidence of sufficient financial and managerial capacity to operate and maintain the project.		15 points
Maximum Point Total		95/100 points

* State law does not require tribal governments to obtain voter authorization for infrastructure projects, therefore, technical applications received from tribal governments will be based on an adjusted 95-point scale, as described in R20-8-104(B).

ARTICLE 2. FINANCIAL ASSISTANCE

R20-8-201. Definitions

In addition to the definitions prescribed in A.R.S. § 41-1554, the following definitions apply in this Article:

1. “Administratively complete” means that an applicant has completed the application for financial assistance and provided all of the ~~required~~ information that the staff determines is applicable.
2. “Applicant” means a political subdivision, special district or Indian tribe that applies to the Authority for financial assistance.
3. “Authority” means the Greater Arizona Development Authority.
4. “Board” means the board of directors of the Authority or their designees.
5. “Dedicated revenue source” means the origin of money committed by an Indian tribe to be used for repayment of a loan.
6. “Economic evaluation” means a detailed economic analysis based on public data and information provided by the applicant.
7. “Financial assistance round” means a period of time established by the Board during which applications for financial assistance are sent to potential applicants, returned to the Authority, analyzed by Staff, and submitted to the Board for approval or disapproval.
8. “Infrastructure” means any facility located in this state for public use and owned by a political subdivision, special district or Indian tribe that retains ultimate responsibility for its operation and maintenance. A.R.S. § 41-1154(6).

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9. "Pledged revenues" means any monies to be received by a political subdivision or special district, including property taxes, other local taxes, fees, assessments or charges pledged by a political subdivision or special district as a source for repayment of a loan repayment agreement.
10. "Project" means the whole, or any distinguishable segment or segments, of publicly owned infrastructure for which financial assistance is being requested or provided.
11. "Staff" means the Executive Director and the Finance Director of the Authority.

R20-8-202. Application Process

- A. The Board shall annually establish a due date by which applications for financial assistance shall be submitted for each financial assistance round, and the number of financial assistance rounds to be held in a given state fiscal year. To the extent it deems necessary, the Board may extend the due date by which applications for financial assistance shall be submitted.
- B. The Authority shall send solicitation letters to potential applicants at least 60 days before applications are due. Other interested persons may submit requests to the Authority to be placed on a mailing list to be utilized by the Authority in sending out solicitation letters.
- C. An applicant shall provide ~~the following information~~ to the Authority by the established due date for such applications on a form provided by the Authority any of the following information that the staff determines is applicable:
 1. Contact information for the applicant, including name, address, and telephone number;
 2. Financial statements, audits, or comprehensive annual financial statements relating to the applicant for the applicant's current fiscal year;
 3. Financial statements, audits, or comprehensive annual financial statements relating to the applicant for the previous 5 fiscal years;
 4. The proposed or estimated financial statement or budget, and business plan or management plan for the current and next fiscal years;
 5. A fee schedule for the applicable enterprise funds for the current and past 5 fiscal years if not included in response to subsections (C)(2), (3), and (4);
 6. The source of pledged revenues or dedicated revenue source to be used to repay the requested financial assistance;
 7. The amount of pledged revenues or money collected through the dedicated revenue source for each of the previous 5 fiscal years;
 8. An estimate of the amount of pledged revenues or money that will be collected through the dedicated revenue source for the current fiscal year;
 9. A projection of the amount of pledged revenues or money that will be collected through the dedicated revenue source for each of the next 5 fiscal years;
 10. A list of professional and outside service providers, including their professional qualifications, that are working or have worked on the project;
 11. An estimate of the project costs, including applicable planning, design, and construction costs, as well as estimated annual operation, maintenance, and replacement costs;
 12. An estimated schedule of required disbursements of the financial assistance; ~~and or~~
 13. Any information that may have a negative effect on the applicant's application, or on its financial condition, including material information relating to other projects undertaken by the applicant, pending lawsuits, and current investigations by state or federal authorities.
- D. In addition to the application required in subsection (C), an applicant shall provide ~~the following information~~ to the Authority by the established due date for such applications any of the following information that the staff determines is applicable:
 1. Copies of documentation relating to outstanding indebtedness, including official statements, financial assistance agreements, and amortization schedules;
 2. A detailed description of the project, with an explanation of how the project complements the overall development of the community, including the following, if available and applicable:
 - a. Copies of project feasibility studies, engineering reports, project designs, rate studies, and related material;
 - b. A detailed timeline for the project; and
 - c. A planning document specific to the locality of the project for which the financial assistance is being requested that includes the project, such as a capital improvement plan, local strategic plan, or similar planning document;
 3. A resolution of the governing body of the applicant stating the following:
 - a. The project is in the best interests of its residents;
 - b. The commitment of local funds, if applicable; and
 - c. If a political subdivision, then confirmation of the pledge of the state-shared revenues;
 4. For a political subdivision, a written commitment by its governing body to complete all applicable reviews and approvals and to secure all required permits in a timely manner;
 5. For a political subdivision, evidence of voter approval to incur debt in connection with the project;

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- a. If the election for voter authorization has been held, a copy of the ballot evidencing voter authorization for the debt in connection with the project and official action canvassing the results of the election;
 - b. If the election for voter authorization is scheduled to be held after the application date, sample ballot language and evidence of a plan to obtain voter authorization for the debt to be incurred in connection with the project;
 6. For a political subdivision, if voter approval has been obtained for substantially the same project but with a different funding source, evidence of that approval in lieu of that required by subsection (D)(5); and
 7. For an Indian tribe, evidence of the current or proposed establishment of a dedicated revenue source under the control of a tribally chartered corporation or other tribal entity subject to suit by the Attorney General, or evidence that additional assets that are subject to execution by the Attorney General without the waiver of any claim of sovereign immunity by the Tribe have been designated as additional security.
- E.** Staff shall analyze each application received on or prior to the due date for applications for financial assistance to determine whether the application is administratively complete and whether an applicant meets the eligibility criteria prescribed in R20-8-203. Applications for financial assistance which are determined to be both administratively complete and eligible for financial assistance under R20-8-203 shall be submitted to the Board for prioritization and possible funding. Applications which are either not administratively complete or do not meet the criteria in R20-8-203 shall be submitted to the Board with a recommendation that they be disapproved.

R20-8-203. Eligibility Criteria

To be eligible to receive financial assistance, an applicant shall satisfy the following criteria:

1. The applicant is either a political subdivision, special district or an Indian tribe;
2. The financial assistance requested is for an infrastructure project;
3. The application is administratively complete;
4. The applicant demonstrates that the financial assistance can be repaid and the level of security pledged to the loan is consistent with A.R.S. §§ 41-1554.06(D)(4) through A.R.S. § 41-1554.06(D)(6);
5. The applicant demonstrates that the project is ready for construction and the applicant is ready to proceed;
6. The applicant provides evidence that the project has public support;
7. The applicant provides evidence that the project is part of an adopted comprehensive plan, for example, a capital improvement plan, local strategic plan, or similar planning document; and
8. The applicant has the capacity to manage, construct, and operate the infrastructure project.